

*Supply*

The minister's changes amount to mere tinkering, not a sweeping and comprehensive reform. What we need are systemic reforms that address the needs of the chronically unemployed, which was what UI in 1940 was intended to do. It was to provide a bridge for short term unemployment, not the massive social safety net we now see.

I would like to share briefly with the House three options for change the minister did not address. Two of the options involve decentralizing power for training programs to the lowest level of government: directly to the individual. Our options for relinquishing control to individuals are motivated by the desire for individuals to care for themselves when they are capable of doing so. That is absolutely fundamental to the Reform ideology of individuals accepting responsibility to take care of themselves when they are able to do so. That is not too difficult to understand.

However, the government wants to maintain control over training because it is a traditional political activity to maintain visibility in the area of employment and job creation. After all, the election is only two years down the road, and we want to be visible out there. Boy, we went out there and created those jobs, jobs, jobs. Are we not good?

The first option to be considered is that employment insurance could be returned to a true insurance plan, as it was originally intended to be when it was created in the 1940s. This would mean doing away with regional inequities in the program and ensuring that only those who truly need benefits receive them.

The system has become an income supplement. Income supplement does not, in my definition, translate to insurance. We believe there is a need and place for income supplements, but they should not be in UI or EI or whatever it is called. UI was meant to provide workers with temporary assistance for brief periods of time when they were between jobs.

The second option would be for individuals to change how they contribute to unemployment insurance. They could contribute to registered employment savings trusts, or REST accounts. These accounts would be mandatory and would be used at the discretion of the individual. As many people never use UI, it is only a tax with no benefit. With a REST account, similar to RRSPs, if the funds are not used the money could be directed into their super-RRSP accounts. This idea is not without its problems; I acknowledge that. The period of transition would be difficult and youth and the intermittently employed may find the plan difficult to manage.

A third option for the government is to drastically slim down EI, return it to a true insurance plan, and at the same time have individuals contribute to REST accounts. These things would happen together. This plan would ensure that the chronically

unemployed are cared for and that those people who are seldom unemployed would be able to administer their own employment insurance program. They would not be taxed.

These are three options we are developing. We hope that in the new year we will be able to finalize our research and bring our plan forward to Reform's general assembly in June, where the membership, the people, can debate and come to a final decision on this important policy plank.

• (1150)

Having proposed options for decentralizing training, and after having demonstrated yet again how badly the Liberal government has broken its promise to transfer labour market training, I move:

That all the words after "prevents" be deleted and replaced with the words "the governments of all the provinces of Canada from adopting a true labour market training policy of their own".

**The Acting Speaker (Mr. Kilger):** On the proposed amendment to the official opposition motion moved by the hon. member for Calgary Southeast, I will take it under advisement and the Chair will respond to this matter in the shortest time possible and get back to the House.

**Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.):** Mr. Speaker, I appreciate the comments made by the hon. member from the Reform Party, the human resources development critic. At a time of constant change in our society, we welcome the meeting of minds and any exchanges that can take place between legislators and other individuals who are willing to propose new ideas. Although I may not agree with the concept prescribed by the hon. member, I certainly congratulate her on making at least the effort to come up with a new employment insurance plan.

I have some fundamental questions in relation to a couple of points. One deals with the issue of federal-provincial relations, which is preoccupying the minds of the Reform Party members and of course the Bloc Quebecois as well. Other questions relate to the employment insurance package as it relates to small business.

On the issue of decentralization of federal-provincial relations, members of Parliament who have followed this file attentively would probably find that the federal government has made many efforts with all the provincial governments to come up with a plan of action that speaks to the reality of the various provinces. As a matter of fact, the Minister of Human Resources Development has met with many of his counterparts. Part and parcel of this employment insurance legislation speaks to the fact that when we are talking about the tools, namely the self-employment assistance, the skills and loan grants, the top-ups in earnings, the federal government is co-operating with the provinces.