

return to see whether we could become children of light, along with the officials in the department. That is on impact studies.

● (1510)

You may also remember, honourable senators, that I made a point of referring to the loss that would occur to Prince Edward Island as a result of the passage of Bill C-21. You may remember I mentioned that Prince Edward Island would lose \$12 million because of the change in the variable entrance requirement in comparison with about \$120 million or \$130 million for all of Canada. I wondered why a tiny province had to bear such a big burden. I asked if there was some way we ought to amend the bill so that that would be removed. My worries have been removed entirely, and from the most unexpected source. It is from the fact that unemployment has risen in Prince Edward Island. Unemployment has risen and therefore many entrants will require fewer qualifying weeks. Mr. Carin told us that we could insert a zero where we had \$12 million. I cannot carry that any further unless I can control the unemployment level in Prince Edward Island.

Senator Perrault: Saved by unemployment!

Senator MacEachen: What this shows is how sensitively affected the citizens of Prince Edward Island, Nova Scotia, New Brunswick and the whole of the Atlantic provinces are—particularly the unemployed—to changes of this kind. I mention that because I mentioned it formerly in my speech. I find my problem exacerbated rather than removed, even though a zero will now replace \$12 million.

We had a visit from the Minister of Employment and Immigration and I noted a number of points she made. I do not have the exact quotations before me, but I think I can be faithful to her rendition.

She said, "You don't like these changes. What would you have us do if we don't get the money here? Would you have us increase the deficit or would you have us raise taxes?" Honourable senators, the answer is not as simple as that, because, as Senator Murray and Senator Olson described today, there is a major factor here affecting the accounts of the government, and that is monetary policy. It is not just taxes and it is not just the deficit that have to be taken into account to determine a matter of this kind.

We are told that today Mr. Wilson will have to resolve a problem of about \$3 billion or \$4 billion that has been dropped on his shoulders because of the monetary policy followed by the Bank of Canada in maintaining high levels of interest rates. It is not that easy to say that it is a choice between an increased deficit and increased taxes. But is it right, even in those circumstances, to ask the unemployed to bear this burden? They do not think they should, as they expressed themselves before the committee.

Then the minister went on to make a further statement, which I found somewhat disturbing. She said, "Don't let anyone tell you there are no jobs in Canada. There are jobs all across Canada, albeit there are more in some places than in others, but there are jobs all across Canada." Honourable senators, I was astonished by that statement, because it

reminded me of statements that used to be made by a great Conservative Prime Minister in the United Kingdom, Mr. Harold Macmillan. He used to make statements of the kind: "You never had it so good. There are jobs all over the United Kingdom."

Senator Barootes: The land is strong.

Senator MacEachen: "You are in a period of unprecedented prosperity." Those are the kinds of remarks made by governments. They were made by the Minister of Employment and Immigration. Such statements are dangerous, as was proved in the case of Harold Macmillan, because he too was ushered out of office, not by the electorate but by his own party. This happens when statements by ministers, as happened on this occasion, are widely at variance with the perception of the population of the country. Maybe the minister believes there are jobs all across Canada, but the people, certainly in Atlantic Canada, do not believe that. They have every reason not to believe that, because that is their experience.

I am somewhat worried that the minister, by this bill, has taken a somewhat—maybe bureaucratic, maybe mechanical approach to what is the people's problem, namely, unemployment and unemployment insurance. It is not a very enviable situation for any citizen to have to walk into an unemployment insurance office and say, "I have no job. I am at the end of my tether." There is a temptation in insulated societies—and at times Parliament itself and, certainly, the bureaucracy can become insulated—to be unaware of the realities of life and what it feels like not to have a job when you want one and your only recourse is the Unemployment Insurance Act and its benefits.

Bill C-21 is going to cut back. It tells workers that they have to work longer to qualify to get fewer benefits, and that if they step out of line and leave their jobs it will really smack them for months and cut off their benefits. They are unemployed; they are not "fat cats."

In our amendments, honourable senators, we have not gone the full distance to undo what the minister tried to do. What we did was to ameliorate—

● (1520)

Senator Frith: Soften the impact.

Senator MacEachen: —the provisions of the minister with respect to the government contributions. We did not undo that. We did not undo a major financial provision. We attempted to understand the problems of the government and, as well, those of the unemployed. It is in that spirit that we have made the amendments. We are seriously attempting to achieve some things; and I hope the minister will not dismiss us as if we were children and not worth being listened to, talked to or negotiated with. Why can they not negotiate these amendments with the Senate in a conference, if they find them difficult? Why not?

Senator Simard: Negotiate with the Liberals? Can you imagine it? I cannot believe it!