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complacency. Canadians care about their social security programs.

The government realizes it must move ahead with social security reform in a timely and orderly fashion. The budget confirms this point. We know from the excellent budget presented by the Minister of Finance, a budget that is getting higher ratings than "Hockey Night in Canada", that Canadians agree reform of our social security system is moving in the right direction.

We said from the beginning that meaningful social security reform could only take place in the context of a responsible fiscal framework. The budget has given us that framework. The budget clarifies that effective reform of our social security programs is absolutely essential, given that we must operate with limited financial resources. Let me put to rest the unfounded rumours that social security reform is dead. It is anything but dead.

Here is where we are at. We have completed the very successful consultation process. The government is now studying the excellent report of the standing committee. Now that the budget has given us the fiscal parameters within which to operate, the next phase is to carefully develop an overall design.

In other words, it is time for the architecture. The architecture comes before we start rebuilding the programs. It is a logical process. We need to develop a new structure before we abandon the old or the current one. A key part of the process will be consultations between the Minister of Human Resources Development and the provinces. These consultations will seek to establish national principles.

The government believes that Canadians are equal in every part of this great nation. We will strive to ensure that national principles apply to social security programs for all citizens.

Canadians told us that one of the key areas for reform was the unemployment insurance program. Using the input we have received we intend to develop proposals for the UI program that take into account the views of hardworking men and women.

We have already begun to act. Hon. members will recall that the government had enough foresight last year to make provisions that began January 1 of this year. If the government had not acted, UI premiums would have risen to \$3.30. Instead they were reduced to \$3. It is estimated that the payroll tax relief will create or preserve 40,000 jobs. We will be able to put additional savings from UI reform toward improved employment development services.

There is more good news on the reduction of UI premiums. The economy is performing extremely well and we have every reason to believe it will continue to do so. For that reason we expect to reduce premiums again, possibly next year but certain-

ly by 1997. I want to stress, however, that the government has not yet determined the amount of any cut to the premium rate. The figures we read in the press are only forecasting estimates.

We plan to move ahead with UI reform this fall. As the budget clearly stated, we intend to have new UI legislation in effect no later than July 1, 1996. It is true that we are shooting for at least a 10 per cent target reduction in program expenditure. How fast we reach that target will depend upon the continued good health of the economy. It will depend upon program details that UI officials are currently working on.

While reform of the social security system is an ongoing process, we know it will function more effectively and with significantly reduced administrative costs as part of the new Canada social transfer. The popularity of the budget tells me that Canadians are very excited about the innovative possibilities and the flexibility that the provinces will have to address the needs of their particular residents under CST.

● (1040)

Again I stress national principles and objectives will be very much a part of the new Canada social transfer. The Minister of Human Resources Development will be inviting all provincial governments to work together on developing a set of shared principles and objectives to provide a solid framework for the new CST. This is one way that all governments can reaffirm their commitment to the social well-being of Canadians.

I think all hon. members will agree that the best form of social security is a well paying, rewarding job. Social security reform is very much a part of the government's job and growth agenda.

With that in mind the Minister of Human Resources Development is bringing together the current programs that support Canadians in preparing for and attaining employment. They will be consolidated into a new human resources investment fund. The fund will pool resources from existing programs to develop a more coherent approach, establish priorities and make use of the best tools available to ensure Canadian workers find stable employment.

The human resources investment fund will take a hard look at the role of the federal government. We will ask ourselves what we should be doing and determine the best way to eliminate overlap and duplication. Streamlining and consolidation will mean some savings in the coming two fiscal years. The result will be that federal employment related programs will make the most efficient use of available resources.

The new programming will recognize clear and distinct roles for the federal government and the provinces. We will co-operate with the provinces to deliver services effectively and at the lowest cost possible to Canadian taxpayers. Together we can