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OFFICIAL REPORT
(HANSARD)

Thursday, May 6, 2004

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, May 6, 2004

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)
[English]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to two petitions.

* * *

• (1005)

MIGRATORY BIRDS CONVENTION ACT, 1994

Hon. David Anderson (Minister of the Environment, Lib.) moved for leave to introduce Bill C-34, an act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999.

(Motions deemed adopted, bill read the first time and printed)

* * *

INTERPARLIAMENTARY DELEGATIONS

Hon. David Price (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canadian NATO Parliamentary Association, which represented Canada at the joint committee meetings of the NATO Parliamentary Assembly, and at the annual consultation between the Economics and Security Committee and the OECD held in Brussels and Paris on February 15 to 19, 2004.

* * *

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Agriculture and Agri-Food on Canadian beef packers financial information.

This is a report outlining the programs and the progress that has been made on this file, and the further recommendations that we would make as a result of the outcome of those findings.

* * *

EXCISE TAX ACT

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP) moved for leave to introduce Bill C-525, an act to amend the Excise Tax Act (literacy materials).

She said: Mr. Speaker, I am pleased to rise today to introduce this private members' bill that seeks to eliminate the goods and services tax on materials used in literacy development.

Literacy is the fundamental building block in our ability to participate fully in all aspects of citizenship, our daily lives, and the economic life of the country. Despite our high literacy rate, almost 50% of Canadians still have difficulty working with words and numbers.

This bill is designed to complement existing measures to support groups working to improve literacy and to remove an unnecessary barrier from individuals pursuing greater literacy on their own. I hope all members will give this bill their serious consideration and support.

(Motions deemed adopted, bill read the first time and printed)

* * *

BROADCASTING ACT

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.) moved for leave to introduce Bill C-526, an act to amend the Broadcasting Act.

He said: Mr. Speaker, the bill is actually very simple. I am not sure whether to read the summary or just the amendment.

The summary indicates that we would like to amend the Broadcasting Act to require that the decisions and orders of the Canadian Radio-television and Telecommunications Commission be made within six months after a public hearing. In other words, there is no legislation in the Broadcasting Act that a decision must be taken in a given time period when there is a request for licensing.

I would like to introduce an amendment that a decision be made within a six month delay, which I think is very reasonable.

Routine Proceedings

(Motions deemed adopted, bill read the first time and printed)

Mr. Massimo Pacetti: Mr. Speaker, I rise on a point of order. The fact that the bill is so simple may I request the unanimous consent of the House?

[*Translation*]

The Acting Speaker (Mr. Bélair): I believe the member for Saint-Léonard—Saint-Michel should tell us why he is seeking the unanimous consent.

[*English*]

Mr. Massimo Pacetti: Mr. Speaker, due to the simplicity of the bill and to speed up the process, I would like to ask the House if I could get unanimous consent. It is very simple. It is either yes or no.

[*Translation*]

The Acting Speaker (Mr. Bélair): Does the hon. member have unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bélair): The hon. member for Saint-Léonard—Saint-Michel has a point of order.

[*English*]

Mr. Massimo Pacetti: Mr. Speaker, can I state the members who are opposed to the unanimous consent?

The Acting Speaker (Mr. Bélair): No.

* * *

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I move that the third report of the Standing Committee on Agriculture and Agri-Food, tabled earlier this day, be concurred in.

(Motion agreed to)

[*Translation*]

* * *

●(1010)

[*English*]

PETITIONS

BURMA

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very pleased to table a petition pertaining to Canada's international obligations vis-à-vis the situation in Burma.

The petitioners point to the repressive regime in Burma which continues to inflict terrible atrocities and indignities upon its citizens. The petitioners point out that Aung San Suu Kyi, the democratically elected leader of Burma has been under house arrest for most of the past decade.

They call upon Parliament to recognize the committee representing the People's Parliament of Burma, and they request Canada's foreign affairs minister to use all diplomatic means to end repression in Burma.

QUESTIONS ON THE ORDER PAPER

Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 81 will be answered today.

[*Text*]

Question No. 81—**Mr. Gerald Keddy:**

With regard to income tax deferrals for woodlot owners affected by hurricane Juan, what actions has the Minister of Finance taken in relation to: (a) the minister's statement in the House of Commons of February 4, 2004; and (b) the government's response to Question No. 44 on the Order Paper tabled on March 22, 2004?

Hon. Ralph Goodale (Minister of Finance, Lib.): In response to the question put forward to the Minister of Finance concerning woodlot owners affected by hurricane Juan, the minister requested that officials from the Department of Finance examine the proposal by the hon. member for South Shore of allowing woodlot owners to defer, over a 10 year period, income tax on revenues obtained from having to sell timber felled by hurricane Juan.

In its analysis, the department identified a number of concerns with that proposal. The measure could lead to inequities in the treatment of other taxpayers who experience other forms of economic loss from natural disasters, for example, forest fires, droughts, hailstorms, tornadoes and floods, or who experience income fluctuations from other causes. As well, providing a 10 year income tax deferral for woodlot owners would require the development of a number of complex rules to ensure that the measure functions correctly.

In the past, program spending approaches have been used instead of the tax system to address the effects of natural disasters such as the 1998 ice storm. Consistent with that approach, on March 4, 2004, the Government of Canada announced payments to the province of Nova Scotia through the Disaster Financial Assistance Arrangements, DFAA, including \$4 million for the effects of hurricane Juan. Under the DFAA, the Government of Canada cost-shares with provinces eligible expenses incurred to repair the damage from a disaster. Provinces choose how to direct assistance to disaster victims through their programs and the Government of Canada makes payments to the provinces for a portion of the expense of those programs.

[*English*]

Hon. Roger Gallaway: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Acting Speaker (Mr. Bélair): Is that agreed?

Some hon. members: Agreed.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, I do not believe Question No. 81 refers to the question that I put on the Order Paper. But through you, Mr. Speaker, I have a question for the government.

The government, as we all know, is allowed to go 45 days without answering questions. The point I want to make is the fact that we are waiting patiently for the answers to some of these questions. I am afraid the clock is going to run out.

An hon. member: Point of order, point of order.

Mr. Greg Thompson: No, Mr. Speaker, I have a right to stand in my place and speak, and if he does not like the message, that is his problem.

The fact is that we want answers to some of these questions on the aboriginal fisheries before the election is called. Everyone is entitled to those answers, including the aboriginal community, which would indicate the impact to them on some of these policies which the government has yet to define in terms of how much the program would cost.

I am asking the government to please move on some of these questions so that we will know what the answers are and we can actually talk intelligently about it. I know that the Liberals do not like to do that during a campaign period on these particular issues.

Mr. Speaker, can we get some—

The Acting Speaker (Mr. Bélair): Order, please. The hon. Parliamentary Secretary to the Government House Leader.

Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): The member, if he would read the rules, instead of decrying against what he does not like, would understand that the question he is saying the government is avoiding or evading in response was only tabled by him in or about mid-April. It is a very complex question. In fact, he was so anxious to get a response he did not star it, in other words mark it urgent for response within 45 days.

This is the second day that he has risen on this point. If he were to look at the rules, he would know that it was his delay in tabling this question. He is making political statements around this. This is a matter of the rules of the House and he ought to be told that he cannot persist in this way.

The Acting Speaker (Mr. Bélair): It would seem to me that the rules have been followed.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I rise on a point of order. Yesterday in the debate on Bill C-23, when I listed a number of first nations that were in support of the bill, I listed the Union of Ontario Indians which has 43 first nations.

I received a phone call from Grand Chief Commanda this morning saying this was not true, there was no such resolution supporting Bill C-23.

I want to apologize to the House. I had no intention of misleading the House. I want to set the record straight that there was no resolution as far as I have now been informed by Chief Commanda, and I apologize for any misinformation I might have provided.

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ) moved:

Supply

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled “Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance”.

He said: Mr. Speaker, I am very pleased to speak to this motion today. I think that it is important to provide a brief historical overview and to say that we want to provide the government with a new opportunity—almost the final opportunity—to propose, in this House, an in-depth reform of insurance employment.

Historically, Mr. Jean Chrétien had made commitments before his election as the Prime Minister in 1993. Indeed, in a letter to a lady in my riding, he said that Liberals would put back in place a real employment insurance program that would ensure adequate income, protect seasonal workers and do other things.

Unfortunately, following the election, his government did the opposite. It took the employment insurance program and turned it into an arrangement to collect as much money as possible to fight the deficit. Thus, it tightened the screws.

For example, in two successive reforms, in 1994 and 1996, the rules for eligibility were limited and the length of the benefit period was cut back. They also arranged things so that everyone had to contribute, particularly young workers and part-time workers, who generally cannot receive benefits. They used not to contribute, and when they did start being required to pay into the program they did not get benefits in return. There are many contributors who cannot get benefits. So that is what led up to the elections in 1997 and 2000.

The Liberals reformed the EI program but, instead of making it more human, they made it more strict, more restrictive, more limited. The negative effects of this reform hit people hard, particularly those in the regions of Quebec and of Canada, until the election in 2000.

During the 2000 election campaign, the Liberal Party made a commitment that there would be a parliamentary commission after the election with a mandate to review the entire act and improve it. But following the election, the government produced precious little.

Despite what had been requested, Bill C-2 withdrew from the Employment and Immigration Commission the right to determine the contribution rate for employment insurance and handed it over to the federal government. At that time, the rate was set, not according to the program's needs, but rather according to the needs of the government in general. As a result, since that time, that is since the Liberal Party of Canada started these negative reforms, a \$45 billion surplus has built up in the employment insurance fund.

After the 2000 elections, Bill C-2 did away with determining the contribution rate according to the needs of the plan. This did not go over well with the members, with the House as a whole, moreover. The Standing Committee on Human Resources Development and the Status of Persons with Disabilities decided to look into the matter, stating that it wanted a true employment insurance program, a true reform, which the one in place was not. It therefore wondered what could be done to remedy that situation.

Supply

The committee heard witnesses from all groups in society. It ended up with 17 recommendations, all to be found in the report tabled three years ago in May. It was hoped that the government would use it as the basis for changes in the employment insurance system, which has not happened. The proposed changes were of many kinds. I would like to direct the House's attention to a number of them that clearly demonstrate our point of view and what we wanted to achieve.

The first of the recommendations was to eliminate discrimination against young people. We know that, at present, a young person entering the labour force for the first time must work 910 hours in order to qualify for EI benefits. Therefore, we had a proposal to eliminate this discrimination. It was the same thing for discrimination against women returning to the labour force.

We also wanted benefits to return to an adequate level. Another recommendation proposed that ways be found to increase the amount of benefits to an adequate level. A specific proposal on this was made in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities. Another recommendation said it was time to reinstate the program for older worker adjustment.

• (1015)

That was a program to assist people laid off when they are about 55 or 58 years old. In the riding I hope to represent after the next election, Rivière-du-Loup—Montmagny, on May 12, in less than two weeks from now, 600 workers will be laid off, including a hundred or so over the age of 55.

In many cases, these people have contributed to the employment insurance system for 15, 20 or 25 years, and they are full-time workers. When they are laid off they are not entitled to any additional benefits. After receiving EI benefits for 40 or 45 weeks at the most, they will themselves with no income and often unable to bridge the gap until they retire at 60 or 65.

We want this program restored. Improving eligibility, enabling people to receive better benefits, providing older workers with a system that would permit them, when laid off, to survive until they get their pension—these are all measures aimed at attaining an equitable system, in the end.

Some say those are costly items. However, let us keep in mind that, over the years, the federal government has accumulated a \$45 billion surplus in the EI fund. There was a \$45 billion difference between the premiums paid by workers and employers and the benefits paid out. For a long time, people thought that this money was sitting in a reserve and that the government was keeping it for the appropriate time to put it back in the system. That was not the case. It took the \$45 billion first to eliminate the deficit and then to pay down the debt.

Lower income people, those who need EI benefits from time to time, those who make less than \$39,000 a year, contributed 100% to the fight against the deficit. However, people who earn more than \$39,000 no longer pay into the plan, some do not contribute at all. For instance, members of Parliament do not contribute to the EI plan.

A lot of people therefore did not contribute to the fight against the deficit, whereas people who already had a lot of trouble making ends

meet every month were asked to do more. Here too, the problem is blatant. The situation must be remedied.

Just as an example, between the time this unanimous report was adopted by all the committee members, from all parties—that does not happen everyday—and today, three years later, the government has accumulated a further \$11 billion surplus.

It could easily have implemented the recommendations in the report while making sure that the plan was properly funded. Wealth would have been distributed more evenly to the satisfaction of society in Quebec and Canada.

Moreover, some of the 17 unanimous recommendations were aimed at adjusting the EI plan to the new reality of today's labour market. For instance, self-employed workers in Quebec and Canada do not contribute to the EI plan and are not covered by it. However, we know that they account for 16% of the workforce, 16% of all workers in Canada.

Some of them would benefit from a plan tailored to their needs. We are not talking about a universal EI plan necessarily, but something more along the lines of what was done for fishermen, a special plan that would provide them with an income when they are left without contracts for extended periods of time.

This has all kinds of impacts. It is not just about making sure people get a cheque. Self-employed workers are often young women who have freelanced for several years and who decide with their partner that they will not have children because it would not necessarily be financially responsible to do so.

These are the kind of recommendations made in the unanimous report which should have been implemented by the government. The government has taken no action in the last three years to implement these recommendations.

This is why it is rather astonishing to hear the Prime Minister say that he will do something about seasonal workers just before the election. What is more, the Minister of Heritage was heard saying that there will not be enough time to implement a comprehensive reform before the election and that it will be done after.

Elections are not held on a set date. Whenever the government is ready to introduce a real employment insurance reform, we are ready to sit, cooperate and pass the legislation. During the next days and weeks, the government could count on the cooperation of all parties in this House in order to do that.

• (1020)

This would send a clear message that we want a fair distribution of wealth in Quebec and in Canada. It might also remedy a number of injustices committed by this government against the unemployed in the last 10 years. However, we still have no indication that this will happen.

Six months ago, the Prime Minister said, “We will do things differently. I am ready. I will introduce measures”. In this case, as in others, he is very hesitant. Today, he is being given another chance to propose a reform of the employment insurance system.

I introduced this motion in the House last Friday. I hoped it would be passed, but the Government House Leader refused to give his consent. The refusal did not come from a Liberal member or from an opposition party, but from the Government House Leader himself.

There is a flagrant contradiction between what Liberal members and ministers say in public and what is really happening. The government has not prepared a real reform of the employment insurance system. We need one and we are giving them an opportunity to propose a plan as soon as possible because right now people are very wary of Liberal election promises.

In 2000, the government made promises. We were told “A parliamentary commission will be set up; you will see, we will examine this whole issue”. That parliamentary commission wrote the report that was released three years ago. However, the government made no move at all follow up on this document, with the result that the hon. member for Madawaska—Restigouche, who is a responsible Liberal member, attended a meeting with labour unions on Tuesday and asked them “After three years, what have you done in this regard?” The unions told him that an in-depth reform was necessary.

This hon. member, who will not run again in the upcoming election, was very disappointed by his government's behaviour. He was very unsatisfied, because he worked with us on this report. He thought there were some interesting things. He expected the government to make a similar proposal. We are not asking the government to implement the report down to the last letter. We are asking it to take this unanimous report into consideration and recommend a new reform of the employment insurance program that will go in the direction opposite to that of the last reform, which was used by the government to fill up its coffers, fight the deficit and reduce the debt, but at the expense of people living in regions, young people and women.

In the report—and perhaps this is why the government is reluctant to follow up on it—there was also a recommendation on the setting of the premium rate. There are people, including Bloc Quebecois members and all opposition members who support our position, who want the employment insurance fund to be an independent fund.

Conversely, there are also people who want this fund to remain under the authority of the government. Perhaps we should at least consider the possibility of going back to the system under which the premium rate was set by the Canada Employment Insurance Commission, and was based on the needs of the employment insurance program. Since Bill C-2 was passed, the rate is set based on the needs of the government, and it was announced in the last budget that this would continue for another two years.

This means that the government is trying to justify the fact that, currently, we could have a premium rate whose purpose is not to fund the employment insurance fund, but is simply a payroll tax. This is what the EI program has become.

Supply

That is why we insist on reform of the employment insurance program. The solution is to have the employers and employees, those who contribute to the program, run it themselves one day. Nonetheless, we must ensure that, if there is a surplus at the end of the year, either the premiums are lowered or the benefits improved for a certain group of workers, but the money must never be accumulated and used for something else, which is what happened over the past 10 years with \$45 billion. It is totally unacceptable.

The recommendations in the unanimous report went quite far. It was a serious piece of work and all the political parties contributed. There were recommendations on the employment insurance regions. We wanted to ensure that the regions reflected the reality of the labour market because there were many inconsistencies in the current definitions of the regions. We wanted the map to be redone in a well thought out way.

We also wanted to look at the possibility of raising the ceiling for yearly insurable earnings to \$41,500. People currently contribute up to \$39,000, meaning that someone earning \$25,000 is contributing 100% of their share to the employment insurance program. However, someone earning \$75,000 does not contribute to the program for the \$36,000 difference between the \$75,000 they make and the \$39,000 ceiling. This creates unfairness and inequity and should be examined closely.

To show how serious hon. members were in their recommendations, they also addressed the issue of fraud. Hon. members know that we had to deal with Mr. Chrétien's approach when he was prime minister. Unfortunately, he said that the unemployed were a bunch of beer drinkers, that that was why there was a problem, and that we had to crack down on them in order to get anywhere.

● (1025)

The government and the finance minister, who has now become the Prime Minister and who jumped on the opportunity to rake in all the money he could, rode on this statement for several years. They eventually realized that there is not more abuse of EI than there is of income tax or any other program. Only 3% of the people abuse the system.

The committee did make recommendations to ensure that those who truly abused the system were penalized, which is the normal thing to do. At the same time, it was acknowledged that the majority of the unemployed really wanted to find a job. It would be nice for them to have enough income.

Members pointed out that the legislation is based on the presumption of guilt, which is quite horrifying. For instance, when employment is found to be uninsurable because the worker is related to the employer, it is up to the applicant to show his job should have been insurable. However, the legislation clearly stipulates that, in such a case, the employment is not insurable. That is something else we wanted to change.

As you see, the proposed reform is quite reasonable. It is not over the top. We are not trying to revert back to the days where people were getting incredible benefits for minimal contributions. What was requested was quite reasonable.

Supply

Also, for quite some time, we had in Canada a social pact whereby the industrial sector, which was concentrated mainly in Ontario but also in Quebec and generating full-time jobs, and public servants at the various levels of government had agreed to contribute to EI so that workers with seasonal jobs in resource areas were able to stay in their regions and get enough benefits to make it through some rough times in winter and the spring gap. There was a kind of balance, a proper redistribution of wealth.

In 1994, the Liberals put an end to this social pact. Consequently, several regions in Canada saw a significant decrease in their revenues. And I am not talking only about the individual income of the unemployed, but also about millions of dollars in lost revenues for the affected regions. At the same time, industrial regions continued to buy wood, fish and agricultural products. They continued to benefit from the system, but the resource regions suffered a considerable loss of revenue.

All this is caused by the attitude of the federal government, which decided that, instead of having our national debt in the hands of foreigners, it should be shouldered within the country by the workers. That is unacceptable. And it was not done in a way where everyone shared equally in it. Instead of that, the government decided to take money from the poorest, the most disadvantaged and the least organized in our society.

These people have so little savings that when the crisis arrives, they have no money left to get through the spring gap. In the fall, seasonal workers are often told to prepare themselves and to organize demonstrations to force the government to take action. But the government does not take action until it is faced with reality. Now the crisis has become so serious that we saw people on the North Shore, as in many other regions, rise up because they find that reality very difficult to bear.

Following up on the unanimous report of the Standing Committee on Human Resources Development would be an extraordinary gesture on the part of the government.

I will conclude by saying a few words about those aspects that seem important to me. This debate is not about defending the position of the Bloc Québécois. It is about defending the position of a committee of this Parliament, made up of members from all parties. Everyone had to compromise for the committee to agree on that position.

There are things that the Bloc Québécois would have liked to see included in the report that were not included at that time. For example, the Bloc said that the reduction from 910 to 700 hours was a step in the right direction, but that any kind of discrimination should be eliminated.

All parties made compromises. We have a unanimous report before that committee. The new Prime Minister has said that he wants to address the democratic deficit. He has an extraordinary and unique opportunity to do so. Today, he should make the decision to table this reform of the employment insurance program.

•(1030)

In conclusion, I ask for the unanimous consent of the House to make the motion votable tonight, and ultimately to urge the government to put in place a real employment insurance program.

•(1035)

The Acting Speaker (Mr. Bélair): Does the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques have unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bélair): There is no unanimous consent.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I wish to commend my friend, the hon. member for...

An hon. member: Chicken, hypocrite.

The Acting Speaker (Mr. Bélair): The words that were just uttered are unparliamentary. I respectfully ask the hon. member to refrain from using such words.

The hon. member for Joliette.

Mr. Pierre Paquette: Mr. Speaker, first, I want to congratulate my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques on his very fine speech. I think it is clear proof that common sense is on the side of the suggestions this week of the standing committee on human resources development and unions in Quebec. I congratulate the hon. member also on his fine work in this area when he was the Bloc Québécois critic on human resources.

My question to him deals with something that is beyond me. The Prime Minister and the Liberal members are aware of the problem. They know about this gap in regions with seasonal industries, and they know about the difficulty for young workers, women who re-enter the labour market and older workers to access EI benefits. They are certainly aware of that, because they promised repeatedly to bring in reforms. That means they know about the catastrophic situation many of our fellow citizens are in.

How can the government be so cynical about the needs of the unemployed? How can it be so indifferent when it does not put even a cent in the EI fund? That is really beyond me. Perhaps my hon. colleague can explain that to me.

Mr. Paul Crête: Mr. Speaker, I thank the member for Joliette for his question. I will start off by reminding members that this has been a concern of the Bloc Québécois since we arrived in this House.

I have been doing my share but, before me the member for Mercier had done very serious work on the issue, as had the member for Rimouski—Neigette-et-la Mitis, our critic for human resources. We have been hammering at this over and over, in terms of analyses and specific actions. Among other things, we have had employment insurance weeks and an “employment insurance horror house” and raised all sorts of concerns, which have contributed to the adoption of this unanimous report.

Supply

The question is very appropriate. Why are we not sensitive? The basic problem is that all the money from employment insurance premiums has been spent as fast as it has been collected. Therefore, today, the reserves we should have kept are not there to make EI better.

According to the auditor general, we need a surplus of \$10 billion to \$15 billion based on the opinion of the plan's chief actuary. They said that if the government had such a reserve it could take initiatives and adapt to labour market realities. However, things have been allowed to balloon so much that the government now owes \$45 billion to workers and employers, those who in fact pay into EI, whereas the government does not contribute a single penny.

The government's insensitivity may therefore be due to the fact that it does not recognize what the labour market is really all about. Some Liberal members behave this way. One Montreal area MP, who was in committee on Monday, was causing the member for Madawaska—Restigouche to tear his hair out. The member for Ahuntsic was saying that everything was fine, that things needed tightening and this was the way things ought to be done. So the issue is still being debated within this government.

There is also the fact that we might not have a good understanding of what people are really going through. However, we should heed a unanimous committee report. Imagine that! All the members of the House are elected. We regularly work in committees. We have to make a lot of efforts and the level of frustration is quite high. We often have to choose between a minority report to put our opinion forward, or an unanimous report in which everyone has to soften its stance. This is what we have done for this report.

Why did the government not implement any of the 17 recommendations? It is because it deliberately decided in the last three years to accumulate \$11 billion and to use that money to pay off the national debt instead of putting at least part of it back into the pockets of the people who helped to eliminate the deficit. This is the main reason why we are now in this situation. We need this government to make a political choice and not only cosmetic changes that will cost \$100 or \$200 million. It is a lot of money, but \$200 million is nothing compared to \$45 billion.

A political decision has to be made. We must hear today what the government thinks about all this. I am looking forward to hearing what the liberal members have to say. Will those who were at the committee and who unanimously adopted this report stand up to defend the same point of view? This is the point of view that we are presenting today on behalf of the unemployed. We are hoping for some positive results and are expecting the government to introduce a reform before the next election.

• (1040)

[English]

Mr. Brent St. Denis (Algoma—Manitoulin, Lib.): Mr. Speaker, let me say to my colleague whose motion we are debating today that we appreciate the opportunity to participate in the debate on the entire system of supporting workers, those who become unemployed from time to time or those who, because of their participation in seasonal work, become unemployed on a cyclical basis. They are all of importance to Canada and of concern to us.

I have the opportunity to be the chairman of the Prime Minister's task force on seasonal work, so I have a special interest in this matter, particularly in regard to the weeks and months ahead.

I would like to ask a question of my good friend across the way, because he has seasonal workers in his riding and I have them in my riding in northern Ontario. One of the things we hear consistently from our communities is that the current employment insurance system has built within it certain disincentives. We have heard from laid-off workers themselves that the system does not encourage them to take work, because if they do sometimes their benefits will go down for the next year. I know that my friend has heard that from his own constituents as I have heard it in my travels across the country. As well, there are certain provisions in the current system, which we will acknowledge is not a perfect system, that encourage the underground economy.

Does my colleague have some ideas that are not included in the list of recommendations we are debating today, ideas that will decrease disincentives and reduce the temptation of the underground economy?

[Translation]

Mr. Paul Crête: Mr. Speaker, the first thing that comes to my mind is that the hon. member should have given consent for making this motion votable today. That would have been a first step, a concrete contribution toward making some progress on this file, which has been dragging for some years now because the current government refused to assume its responsibilities. This is the case for the seasonal workers, and for other workers as well.

When he says that the system is a disincentive to work, my answer is that we must dispel the myth that most people do not want to work. Seasonal workers want to have more weeks of work, because they will then be able to draw benefits for more weeks. The problem is that, as a result of the restrictions brought in between 1994 and 1996, which are still in effect today, the people in my region would, if it were not for transitional measures, be left facing a 20 to 25 week gap next winter. Imagine what would happen if we had no earnings for 15 to 20 weeks. How would we react?

In this case, it is not a matter of 15 to 20 weeks without earnings, but 15 to 20 weeks without EI benefits. The decision was made to tighten things up. When the economy in a region picks up, this penalizes seasonal workers because they are required to have more hours in order to qualify. So, in the end, there are fewer weeks of benefits.

Although we rejoice that there are more jobs, the end result for people working in the peat bogs, in agriculture, in forestry, picking berries or fruit, and many others doing similar work, is that there will not be any more weeks work from one year to the next just because the economy has picked up. That does not affect the size of the blueberry crop.

Supply

So a way must be found to acknowledge the existence of these seasonal industries. We must replace Mr. Chrétien's phrase about the jobless being beer-drinkers, which dates from 1993, with another phrase: "Seasonal industries are real industries, ones that contribute to the development of our regional economies".

The way to do that is to implement a good employment insurance plan that will allow people to get through the year, work 15 weeks and then be eligible for 37 weeks of benefits, so that they can continue to work in our regions and not find themselves forced to leave. The young person who starts working in the tourism industry in a region, works for 800 hours and finds that his or her services are no longer required when he or she is missing 110 hours more will just move to the big city and never come back to the region. We trained that young person for nothing. That is the kind of situation we see.

The first thing the member should do, since he is the one who refused to make this motion votable, is to say that the motion should be votable so that we can exert some pressure on the government to force it to propose a thorough reform of the employment insurance plan to the House so it can be approved before the next election.

THE ROYAL ASSENT

• (1045)

[Translation]

The Acting Speaker (Mr. Bélair): Order please. Before we hear the next speaker, I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

May 6, 2004

Mr. Speaker,

I have the honour to inform you that the Right Honourable Adrienne Clarkson, Governor General of Canada, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 6th day of May, 2004, at 10:00 a.m.

Yours sincerely,

Barbara Uteck
Secretary to the Governor General

The Schedule indicates the bills assented to were Bill C-7, An Act to amend certain Acts of Canada, and to enact measures for implementing the Biological and Toxin Weapons Convention, in order to enhance public safety, Chapter 15; Bill C-17, An Act to amend certain Acts, Chapter 16; and Bill C-11, An Act to give effect to the Westbank First Nation Self-Government Agreement, Chapter 17.

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

Mr. Brent St. Denis (Algoma—Manitoulin, Lib.): Mr. Speaker, it is my pleasure to participate in this opposition day debate.

It is very important that issues surrounding employment insurance, issues surrounding workers, their needs, the needs of their communities and the industries be given the highest priority by this government, or any government for that matter, in order that our economy remains strong. We want to ensure that those are able to work can find the work for which they are suited. We also want to ensure that those who are unable to work, whether they are disabled or whether they are laid off for whatever reason, are provided with the supports required to make them feel that they are a part of this great country of ours.

The motion calls on the government to implement all of the "Beyond Bill C-2" report recommendations, including those that would ease employment insurance eligibility requirements and improve benefits. The motion provides us with a great opportunity to debate some of the important points relating to employment insurance.

Many of those recommendations would significantly impact seasonal workers. Therefore we need to provide some context for this issue by taking a closer look at the characteristics of workers in seasonal industries, how their work differs from that of other workers and the unique contribution they make to our economy.

As I mentioned a few moments ago, I have the honour to chair the Prime Minister's task force on seasonal work. In the visits to communities we have made thus far, and from my own experience as the member of Parliament for Algoma—Manitoulin and soon to be Algoma—Manitoulin—Kapusksing, I want to underline that the government recognizes and values the importance of seasonal industries, of seasonal work.

A great number of our citizens depend on the fishery and fish processing, on forestry, on agriculture and horticulture. Trappers are seasonal workers, as are construction workers. There are many more whose livelihoods depend on the seasonal, cyclical nature of their work. These are important industries and these workers are important to our economy. We must value them. Their communities depend on them. The fact that their work is seasonal does not in any measure take away from their importance. Without these seasonal industries, the country would suffer greatly.

Because the government takes all work and the employment insurance system seriously, there is a system in place for monitoring the impact of changes on the system. It is through monitoring, consultation, and talking to citizens that we find better ways to ensure that the EI system responds to worker needs, industry needs and Canada's needs.

I will be one of the first ones to admit that the changes that were made a few years ago in some respects may have gone a bit too far. That is why the government in the meantime has made a number of ameliorating measures. A number of steps have been taken to reverse some of the measures that turned out not to achieve the purposes for which they were put in place. That does not mean they were put in place because anybody was meanspirited. They were put in place to try to make the system better for everyone, but things do not always work the way we plan.

It is quite surprising when we look at the list of measures the government has put in place since the adoption of the 1996 reform package, which has done a lot to improve or to bring the pendulum partway back to a point of balance. That is not to suggest that we do not have some way to go. I propose strongly that we do have some way to go.

Let me outline some of the changes that have been made since 1996 to bring the pendulum back. There was the introduction of the small weeks adjustment pilot project in 1997. There has been the enhancement of maternity and parental benefits. These benefits have been extended from six months to a full year for parents of children born or placed for adoption on or after December 31, 2000.

• (1050)

The passage of Bill C-2 occurred in May 2001. Its highlights include: the elimination of the intensity rule; better targeting of the benefit repayment provision, known as the clawback; adjustment of the re-entrant rule for re-entrant parents; and extension of the monitoring and assessment process until 2006. Further, there is the creation of the new compassionate care benefit introduced in January of this year. This allows workers and their families to share six weeks of leave when a spouse, child or parent is dying or seriously ill.

These measures underline the fact that the government believes that the EI system is not simply an economic system. Rather, it is a system which includes social and economic development, and local regional development. We must keep this in mind. Finding a balance between the needs of the broader society and the needs of workers is very important. After all, it is about people and their families, and their communities at the end of the day.

In March the Prime Minister appointed the task force which I chair. A number of excellent colleagues from the House of Commons and from the other place have undertaken, with me, the serious task of pursuing a very strong and purposeful mandate given to us by the Prime Minister.

I will outline the mandate. The mandate will prove to all members that the government is very serious when it comes to the needs of seasonal workers. When we look at the whole picture, it is not just about EI, as important as that is, but it is about a broad variety of measures that we need to undertake to make sure that seasonal workers are well served as full citizens of our country.

That mandate, given to us by the Prime Minister in March, includes the following points. These are in no particular order of precedence. They are all important.

First, what are the specific needs of seasonal industries and their workers in the area of skills development, lifelong learning and literacy?

Second, what are the ways to promote greater economic diversity and stronger local economies, particularly in rural and remote communities across Canada? These communities are typically those most dependent on seasonal industries.

Third, what is the support required to help seasonal work dependent communities to adapt to seize opportunities provided by the new knowledge based global economy?

Supply

Fourth, what are the ways of lowering barriers to regional and interprovincial labour mobility?

Fifth is how to align income support programs, such as employment insurance and provincial social assistance programs, to improve income support while promoting full year-round participation in the labour force.

Sixth is how to address the challenges and opportunities offered by temporary foreign workers. Typically, we see the agricultural sector in most need of temporary foreign workers.

Seventh is the potential role for government in encouraging new approaches to community development, i.e., the social economy.

Eighth is an assessment of the opportunities and challenges specific to seasonal economies in promoting the safeguard of our natural environment.

It is clear that the government recognizes that the ledger has a very important social side. It is not all about dollars and cents. As important as we have made balancing the budgets of this country, we also recognize that people, their families and our communities are an essential and fundamental part of society. We must not get lost simply in balancing the books. The government recognizes that.

I would like to outline some of the messages we heard in our recent travels as a group through eastern Quebec and Atlantic Canada.

• (1055)

A few weeks ago our task force had a chance to visit about 10 communities in the five provinces of the eastern half of this country. The messages we heard from citizens, from union leaders, businesses, big and small, mayors and reeves are messages I am sure colleagues in the House have heard from their own constituents. These messages remind us that we need, at all times, to examine and re-examine government policy to ensure that we are doing the best with the tools that governments have.

Again, in no particular order of precedence, this is a sampling of some of the things we heard, which I mentioned in my question earlier to the proponent of the motion today.

The current EI system fosters the underground economy. We know that workers, laid off and otherwise, want to work. They do not want to go around the system to avoid taxes, to report income, to bank hours or to take steps they feel are needed simply to feed their families, because the rules in many cases create disincentives to honest behaviour. This is not their fault. This is a situation where some of the rules, with no intent to harm when they were originally put in place, have inadvertently created disincentives and provided pressure to drive some funds underground. We need to address those measures so workers can behave the way they want to, which is honestly, and take the work that is available to them.

Supply

We also heard from many people that the work is seasonal, not the workers. Workers who live in areas where seasonal work is predominant are not to blame for the seasons. They are not to blame for the fact that ice is over the water and they cannot fish. I know in my own riding there is an inland fishery in Lake Huron and Lake Superior. We know that right off our shores in my home town of Spanish they cannot get out to fish much of the year. The same applies to our coastal fishing areas. These are factors out of their control and we have to recognize that.

We also heard that the EI system was too complicated for the average citizen. Being a parliamentarian, I found it complicated enough to understand the system. Imagine the average citizen on the street, whether they need EI or not, trying to understand the complexity. We need to find a way to make it simpler and more user friendly. The government is committed to doing just that. That is part of dealing with the democratic deficit. The democratic deficit is not just about how we run our affairs around here. It is about engaging all citizens in a government that is more accessible, more open and more reachable.

We have discovered that EI benefits paid to seasonal workers, especially those in the east, have fallen drastically over the last number of years. There are many factors for this, but we have to examine carefully if there are things in the system which have caused this to the detriment of workers.

The changing demographics of seasonal industries are a primary concern for employers and communities in general. The seasonal workforce is aging, while the younger population is leaving. Part of this are the barriers to the EI system caused by the higher bar for the entry of new workers. We have to recognize, because seasonal industries are important, that we have to ensure that workers are there to support those industries. We cannot afford to lose forestry, fishers or agricultural workers. Farmers, fishers and forest companies need these workers.

Seasonal employers spend a lot of money retraining staff at the beginning of every season, partly because of the disincentives they cannot always get the people they need to work. Those who go to work and take limited numbers of weeks will pay in reduced benefits the following year.

We also heard from many that the skills of seasonal workers need to be enhanced in part to increase their productivity in season and also to provide more ability to move between and among different types of seasonal work, if and when that is available. We also heard that the economic EI boundaries do not reflect labour markets in a number of given localities. We feel we need to look at this very seriously.

• (1100)

In many communities we heard that employers were finding it more and more difficult year in and year out to find workers, especially when processing fish. Unlike a log that can lay in the yard for a period of time and not rot, when fish arrive, they need to be processed right away. It is important to have workers available at all times. Unlike other areas of work, seasonal work is on-demand work. There needs to be workers available when the work comes up.

I also want to give credit to a number of communities, including Woodstock, New Brunswick. Because of the nature of the local economy, they have dealt with the shortage of workers in a rather unique way. They have a pilot project to create an information bank of employers and employees. Combined with some good changes to the employment insurance system, they feel that over the long run they can grow their local seasonal economy by providing greater opportunities for diverse application of seasonal workers. In so doing, they can provide opportunities for employers to grow their businesses, which could otherwise not grow for lack of seasonal workers. Therefore, I give credit to folks in the Carleton country and Woodstock area for their efforts to deal with this creatively, as we have seen in other parts of the country.

It is important to note that the characteristics of seasonal workers vary considerably as to the jobs they hold and the challenges they face. For example, the recent Statistics Canada study on seasonal work and employment insurance use found that many seasonal workers did not fit the stereotypical image: that is, people with limited education who live in have not regions and rely heavily on seasonal industries and government assistance. This is not the real picture. In fact the real picture is that seasonal employment is found across Canada in virtually every industry and occupation, with the largest number of workers being found in Ontario, Quebec and then the Atlantic region.

Seasonal work is characterized by individuals with a variety of educational backgrounds. While some workers have limited skills, others are highly educated. Some depend on seasonal work. Others choose to work in a seasonal industry or in non-standard employment because of the flexibility it offers.

All of this suggests that government initiatives need to be flexible so they can allow for these differences. I fear, even with the changes we made in 1996, some of which have been modified in response to real reaction, that the system is still a little too inflexible and that measures need to be taken to reduce that.

The prevalence of seasonal work is even greater in some regions and industries where it can represent the main source of employment.

It is clear that seasonal work will continue to be an important feature of our economy in the future, given its role in such key industries as forestry, agriculture, particularly horticulture, some mining, the fishery, whether it is inland or coastal, tourism, construction, trapping and others. I am sure I have missed some. This is with no disrespect for those industries that I may have missed in my short speech today. They are all important.

Companies will continue a sometimes frantic search for enough workers during busy periods, and layoffs will continue to be a defining feature of slow seasons. All this makes it imperative that we have programs in place that are capable of helping workers acquire the skills needed for good, stable jobs, whether they are permanent jobs or whether they are jobs in other seasonal industries. It is imperative that programs ensure the industries in need of seasonal workers have those workers. It is imperative that programs encourage community and economic development, so regions dependent on seasonal work can diversify their economies to create jobs to employ these up-skilled workforces. Providing seasonal workers with temporary income is also an imperative when other employment opportunities are not available.

• (1105)

I want to compliment my colleague for bringing this motion forward, but it oversimplifies the situation. I personally would support a major review of the EI system, not only to eliminate or reduce disincentives, but also to find ways to better allocate those dollars so the social and human side and community development side of the equation is properly covered.

There are good examples of some pilot projects in Lac-Saint-Jean—Saguenay and the Bas-Saint-Laurent regions where workers and communities have tried some new ideas to ensure that we get some good advice from our local communities.

[*Translation*]

Mr. Marcel Gagnon (Champlain, BQ): Mr. Speaker, I have listened carefully to the speakers since the beginning. This is the second member to speak on behalf of the government on this extremely important motion.

There is one thing that saddens me in the speech we have just heard. The hon. member has explained what a seasonal worker is. He has explained various things about what kinds of seasonal workers there are in Canada. I think we know this.

The motion asks the government to make an effort to solve the problem of those who are eligible for benefits but who do not receive them. These people know very well who they are.

I heard the government representative say that employment insurance is a tool for economic and social development. He also said it was a tool available to the government. The government wields this tool so well that it makes the workers pay \$45 billion, and, instead of giving benefits to those who are and should be entitled to them, the government takes the money to pay off the national debt.

I do not understand my colleague's speech and I would like him to tell me whether it is normal that workers who contribute to the employment insurance fund are penalized. This insurance fund belongs to those who contribute, not to those who do not contribute, and not to the government.

Let us take the example of the POWA. More than 15,000 workers were covered by this program and needed it. It was abolished. These people had paid into employment insurance all their working lives. At the age of 55, if they lost their jobs, the POWA helped them get through this difficult period, but the program has been abolished.

Supply

Does the member think it normal that the government banks this money rather than using it for the benefit of the workers who contributed it?

• (1110)

[*English*]

Mr. Brent St. Denis: Mr. Speaker, this government has only been in office since the swearing in of our new Prime Minister last December. We have to look at what the government has already done. In being asked to chair the task force, I submit that demonstrates how serious the government is in finding some solutions that respond to the needs of all workers, particularly seasonal workers.

With regard to the EI fund, it is included in the general revenue of the government because the auditor general recommended that some years ago. There were years when the fund was in a deficit and had to be covered by the general revenues of the government. The auditor general simply recommended that we accept reality for what it was. In bad times the government would cover the deficit and in good times there would be a surplus in the fund. Hopefully, there will never be bad times again. If we have a good election result, we will not have bad times for a while.

With regard to older workers, those my colleague claims were hurt by the changes made some years ago, I mentioned in my remarks that no system is perfect. I listed a number of measures that have already been taken to ameliorate some of the unexpected consequences of the policy changes of the mid-nineties. I am convinced that more will come to respond to the needs of our workers.

The new cabinet and Prime Minister need to be given some time to build upon the knowledge base that we already have. The task force needs to be given some time to allow it to continue its consultations. I know the minister is serious about this process as well.

I would ask the member to be patient. No system can be perfect. If we work together in this place, we can always make it better. I am very confident that in the weeks and months ahead we will see improvements to the system of which we can all be proud.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, we really have in front of us a member and a government struck by amnesia. We are told that this government has been in place for five months, but actually it has been there for ten years. Amnesia seems to be the rule because in the ad scam some ministers and the Prime Minister himself have also been struck by amnesia. They are also suffering from amnesia when it comes to their promises.

We must remember that during the last election the president of the Privy Council travelled to Chicoutimi where he promised construction workers that changes would be made to employment insurance. They never were. Workers confirmed this last week; they remember and they will keep an eye on the Liberals during the election campaign.

The Prime Minister himself travelled to Charlevoix a few months ago and promised changes to employment insurance, especially about the gap. Nothing happened.

Supply

I will ask a simple question of the hon. member. Why did he oppose unanimous consent in the House to have this motion made votable tonight?

In conclusion, I will read the opposition motion:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled "Beyond Bill C-2: A review of other proposals to reform employment insurance".

Why did the member oppose the motion's being made votable?

● (1115)

[English]

Mr. Brent St. Denis: Mr. Speaker, the government is not paralyzed. I totally and categorically reject that notion. We have had an excellent throne speech and an excellent budget. The country is now going into, I believe, its seventh straight surplus year. The management of our country, by the past administration which was an excellent administration, but particularly by the new administration, is excellent.

I am not quite familiar with the Treasury Board commitments with respect to his own riding but, as far as I am concerned, in a new mandate, which hopefully we will see fairly soon, there will be measures taken to deal with the concerns that he has raised.

As far as not supporting the motion, I am not sure I can even address that. I am entitled to vote the way I feel is appropriate in the House so I am not sure it is appropriate for the member to ask me to explain why I would object to unanimous consent to a motion. However, if I were allowed to explain I would say to him that, as chair of the task force, our work is not done.

I do not feel the government needs to be held to account on a motion presented by Bloc members in this fashion. They have the opportunity to spend the day debating their point of view. I do not think it is necessary for the government to vote on their motion of the day.

The government's actions in the past and the ameliorating measures I have mentioned are clear. I think, in the weeks and months ahead, the government will continue acting on the urgent needs of workers as they are supported through the employment insurance system and other measures that support our communities.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, I would like to put a few comments on the record. I most likely will not take up the full 20 minute allotment.

I will begin by talking about the Conservative Party position on the employment insurance program. Obviously, we support it. We want to make sure, as I think most of us in the House do, that the program provides adequate income protection for Canadians in the event they lose their jobs. Simply put, the program is supposed to be about protection for Canadians when they lose their jobs.

It often is unfairly identified as a social program. It is not a social program. We pay premiums. It is an insurance program, which is what it is supposed to be.

The old expression that has been heard around this place for many years is that the best social program is a job. I guess most of us hope

that we never have to use the protection provided under the EI system. We all want to be productive and working but, unfortunately, sometimes the best laid plans of mice and men go astray and we find ourselves unemployed. In fact, after the election probably a few of us will find ourselves unemployed. Hopefully, Mr. Speaker, it is not me or you or any of our colleagues but I guess that is the reality of this job of politics. We take our chances in the marketplace every three or four years or so.

I want to make a few points on this issue and on just how disingenuous the Prime Minister has been in terms of reforming the EI system. The track record of the government is not very good on this. In fact, as we stand here today the surplus that has been built up in the fund is in excess of \$48 billion. I will to explain the term "fund" more clearly later on.

What that money means is that the Government of Canada has paid out less than what it has taken in to the fund. That is the simple arithmetic. In other words, the government has paid out benefits but the income that it has received from that fund, the premiums, have exceeded those benefits by \$48 billion. In other words, there is a \$48 billion surplus generated by the EI account, those premiums that you, Mr. Speaker, and I and every other working Canadian are paying, as well as employers.

What we have suggested, and I think most Canadians agree with us, is that we are paying too much in premiums. The numbers speak for themselves. That is how the \$48 billion surplus was generated. The Auditor General has reported on this as well.

Where the Prime Minister is disingenuous is in the fact that he is using the EI surplus, because there is no such thing as a fund. I wanted to explain that for the listening public. There is no such thing as a fund. Basically those surpluses go into general revenues.

What did the Government of Canada do with those surplus funds? Simply put, it spent them. Many of the Prime Minister's projections and the boasting that he often does in the House about his management of the economy when he was finance minister, he would not have anything to brag about if he did not have that surplus.

I will point out some of what the Prime Minister said in the past on this when he was the finance minister. When the former finance minister, now Prime Minister, spoke in the House on March 10, 1994, he stated:

—the Minister of Human Resources Development was able to announce through the budget that we were reducing unemployment insurance premiums which are in fact a tax on jobs.

● (1120)

The Prime Minister admitted in the House on March 10, 1994, that it was a tax. He went on to say:

We have begun to attack this cancer on job creation in this country.

Over the years we have had to force the Prime Minister to reduce those premiums that we all pay but they have not been reduced enough. The chief actuary of the fund has told us time and again that the rates could be reduced even further. If we point to that very high surplus in the fund, the \$48 billion, it tells us that the government has been using the EI fund, not as an insurance program but as a tax to get more money out of the hind pockets of average Canadians. That is wrong. The Prime Minister could have done something about that over the years but did absolutely nothing.

The interesting thing is that to keep the EI surplus growing, because the government did not want the surplus to shrink as it would impact on its financial statements, it used the surplus to enhance its numbers. However, to keep the EI surplus growing, Chrétien and the former finance minister introduced Bill C-2 after the 2000 election to suspend the rate setting requirements of the Employment Insurance Act for 2002-03.

The act, by the way, requires that the premium revenue cover the cost of the benefits over the business cycle and that the rate levels be relatively stable. The Auditor General concluded that premium rates exceeded the maximum range suggested by the chief actuary for 1998 through 2001 and that the rates for 2001 and 2002 were inconsistent with the intent of the EI Act.

The Auditor General is the person who the Liberals like to attack. We all know about the work she did on the ad scam and how some Liberals attacked her at committee suggesting that her numbers were wrong and that their numbers were right. The Auditor General reported that \$100 million had basically gone missing or, as some people have said, stolen, or was given away to some of the Liberal-friendly ad firms. The Auditor General, of course, has stood by her assessment of what went wrong, much to the displeasure of Liberal members, I might add.

The Auditor General has identified some of the weaknesses in the EI system. I will quote some of what she had to say in her 2003 report on the EI system, which, as we all know, is run by HRDC. At that time she talked about documents that should have been on the floor of the House of Commons. In other words, she said that Parliament should have been aware of what was going on in that fund. She stated:

Parliament is not given the full picture of the service's performance.

She went on to say:

HRDC uses three documents to report to Parliament.

The Report on Plans and Priorities presents HRDC's planned results, while the Departmental Performance Report presents and explains actual results. The Monitoring and Assessment Report (MAR) is required by the EI Act and presents various information on the EI programs.

In our view, these reports have not given Parliament the full picture of the service performance of the EI Income Benefits Program. They have not described important performance issues, such as the uneven speed and quality of processing claims across the country.

• (1125)

She states:

Currently, HRDC reports only national averages for key measures, giving parliamentarians only a very broad view of performance. For call centres, it reports the percentage of calls answered by a service representative within three minutes. But it does not report the larger percentage of calls that cannot get into the queue. It also does not report how it plans to meet its service targets in all areas of the country.

Supply

In other words, there is some failure within the department, but also a failure by the department to bring this to the floor of the House of Commons for closer scrutiny.

She recommends that:

Human Resources Development Canada should report measures that better capture service performance in sufficient detail to meet the information needs of parliamentarians. The Department should describe plans to meet performance targets when required.

Again, it is a veil of secrecy by the government over programs that we have some legitimate questions about. So when the government is suggesting changes to the program, I think we require full and open accounting so that we can discuss what those changes might be. If we do not have the proper information before us, it is pretty hard to make intelligent choices.

The Auditor General goes on in her report to refer to the surplus, which I have already mentioned. Again she follows up with a recommendation for a more complete picture for Parliament so that some of these decisions can be made in the proper context. This is really what it is all about: some accountability by the Government of Canada on a program that from time to time is legitimately questioned by Canadians, not only the recipients of the program but those who are still working and paying into the program.

I think the government has to listen to some of the recommendations that are being brought forward on the floor of the House of Commons and has to consider some of them before it starts tinkering with the act. I think it is incumbent upon the Government of Canada to listen to the opposition and to provide us with the information, so that, again, when those choices are made and those policies are brought forward, we can discuss them with some level of knowledge.

I will leave it at that. Again, one of my party's biggest concerns is the fact that the government has used the fund for the wrong purpose. It has used it to enhance its financial position. The government would in fact be \$48 billion poorer. It has used this fund to enhance its financial position.

Therefore, on the debt repayment that the Government of Canada often brags about, we could question whether it would have been in a position to pay down any debt without the surplus that was generated in the EI fund. The numbers again speak for themselves. In fact, the Government of Canada's balanced position would have taken about six years longer to achieve if it had not had the excessive premiums being generated by the EI fund going into the piggy bank.

Now I will read to the House from some of the information I put together earlier this morning. By applying the EI surplus in this manner, the Prime Minister hid the true deficit-surplus situation of the government from Canadians.

Thus he was able to tell Canadians that the books were balanced as early as 1997-98. In actual fact, without the application of the EI surpluses to official figures, the government would not have been in the black until fiscal year 1999-2000.

Supply

•(1130)

In other words, as I mentioned earlier, it means that the finance minister, today's Prime Minister, would have taken a full six years more to balance the budget, not four as he claims.

We are estimating that the EI surplus this year will again add about \$2.4 billion to the total. We could easily be looking at a surplus in that fund, generated over the years, in and around \$50 billion this year.

I will leave that for my colleagues to consider. I look forward to any questions and responses they might have.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I have listened with a great deal of interest to the remarks of my colleague, especially because he participated in the committee discussions when there was unanimous agreement on the need to reform the employment insurance program. I know that at the time, in his party, such unanimity did not come easily, and he made a significant contribution.

I would like the member to explain why there is, today, such unfairness in the employment insurance program. How is it possible that the government has accumulated a \$45 billion surplus in the EI fund and yet it lets the unemployed and the workers get poorer and poorer? Why is the government not taking steps to remedy the situation? Why is the government disregarding the 17 recommendations made by its own members? Yet this Prime Minister said that he wants to address the democratic deficit. He has a concrete example that he could follow but he does nothing.

I would like to have my colleague's opinion on this.

[*English*]

Mr. Greg Thompson: Mr. Speaker, I appreciate that question from my colleague because it is on the mark. In terms of asking why, if hon. members were listening carefully to some of my remarks earlier, they would have heard me say that one of the reasons why the government has refused to act on some of the recommendations, to bring them to the House, let us say, is simply that it is using the EI fund for general revenues to enhance its financial picture and to create balanced budgets.

As I mentioned at the conclusion of my speech, the so-called balanced budget that the Prime Minister brags about would have taken him six full years to create if he had not had that surplus in the fund. There is no desire by the Government of Canada to change this because it has simply used that fund for its own piggy bank, to the tune of over \$40 billion. I think that pretty well answers the question.

In terms of the part of my colleague's question about the democratic deficit, is this not symptomatic of what has happened over the years with this government? Over this 10 year period, parliamentary committees have done a lot of good work. We can debate some of the details within some of these reports, but in general parliamentary committees do good work. They go through the whole exercise of bringing in witnesses, doing reports and all of the homework that goes into parliamentary committees, and doing

the job they are focused on, only to find out that those recommendations are never acted on by the Government of Canada.

Here is a Prime Minister who has suggested that something has to be done about the democratic deficit but who in fact has contributed to the democratic deficit. He has refused to act on some of the good work that committees have performed over the past 10 years. Again, that point is well taken. I am glad the member brought up that point.

Actually the ball is in the Liberals' court. They still are the Government of Canada, just for another few short weeks, I hope, but the truth is that the Prime Minister could have done a number of these things months ago and in fact years ago. He has refused to act on some of the decisions and reports that have come out from time to time from various committees.

•(1135)

[*Translation*]

Mr. Marcel Gagnon (Champlain, BQ): Mr. Speaker, I want to thank the hon. member for his speech. Since he comes from the maritimes, he knows what we are talking about when it comes to cuts in employment insurance or the difficulties some workers have in getting employment insurance. He mentioned that we should take advantage of the last few days or weeks before the election is called to resolve the employment insurance problem. We have a golden opportunity to do so today.

Can he explain why the Liberal party refused to make this motion, a motion that is highly commendable in my view, votable? We could have resolved this problem once and for all before the election and kept it from becoming an eternal election promise never to be fulfilled.

[*English*]

Mr. Greg Thompson: Mr. Speaker, the question is somewhat similar to the previous question, but the answer is that the government simply does not want to act on it because that would take away a revenue source for the government. Because it is a tax by any other name, is it not? It is supposed to be a premium but it ends up being as a tax. I quoted the Prime Minister from 1994 when he admitted that it was a tax and a drain on the economy. But unfortunately those were just words said by the then finance minister, today's Prime Minister. Those were just words.

The truth is that he is in the driver's seat. He could have done something and chose not to do anything. In fact, in the dying days of this Parliament, my colleague is absolutely right: The Prime Minister is in charge. The buck stops there; it is supposed to. He has the wheels of government in his hands, but the fact of the matter is that I am not going to hold my breath.

If his record proves anything, it is that he is very indecisive. He will not act on this. He prefers to have a steady flow of revenue coming in; not a premium but a tax by any other name. The government is using this as a tax. It is hiding this in general revenues. It would really surprise me if the Prime Minister were to change that in the dying days of his government.

Supply

• (1140)

Mr. Rob Anders (Calgary West, CPC): Mr. Speaker, we are talking about employment insurance and I think there is one thing about it that frustrates a lot of people. What does the hon. member, my colleague, think about EI funds being milked off the backs of workers, with some people unable to claim for those benefits later on, and the idea that these funds were doled out either to Liberal friendly ad firms or into wasteful practices like the gun registry, which has been proven to be fairly ineffective and a waste of money? How does it make the hon. member fee to know that this money has gone to pay off Liberal cronies and friends?

The Acting Speaker (Mr. Bélair): Let us try to remain relevant, please.

We will hear from the hon. member for New Brunswick Southwest, if he wants to come back to the matter we are discussing.

Mr. Greg Thompson: Mr. Speaker, I think what the member is saying is that there have been huge sources of revenue dollars flowing into the federal coffers and he is not completely pleased with how the Government of Canada has spent that money.

I think most of us would agree with him. We are talking about moneys flowing in, and if we take the Prime Minister at his word, he admitted that the EI premiums have been used as a tax by the Government of Canada. He was calling it a tax that is flowing into government coffers.

When we look at the \$2 billion wasted on the gun registry, I think the member's point is well taken. Let us look at the \$250 million misspent on the advertising scam, as the Auditor General states. That is the misspending of government money, of taxes that ordinary Canadians pay. I think his point is well taken.

The Prime Minister has a terrible track record of dealing with this mismanagement. As I said earlier, I think that in the dying days of the government we will see very little action on the part of the Prime Minister to change it. It is the status quo. He is not going to rock the boat. It is business as normal, according to the Prime Minister, and I would expect a continued spending spree before the election, which will just add to the waste of taxpayers' money.

Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), Lib.): Mr. Speaker, before I begin, may I say how interesting it is that members never stay on topic on the other side of the House, especially the official opposition.

[*Translation*]

I am pleased to speak in this House today to the Bloc motion on the need to reform employment insurance in a way that will serve the interests of Canadian workers.

Our goal since we came to power has been to help Canadians adapt to the labour market and the economy, which have evolved over the years. Our intentions have remained the same. Canadians can be proud of this country's strong economy, which has produced more than three million jobs since 1993.

The reforms introduced by the government to modernize the Employment Insurance Act have resulted in improved eligibility criteria and better benefits for Canadian workers. They help

Canadians who are too sick to work, those who are not working because they have just had a child, or have to assume family responsibilities or provide care to a dying family member, and they help people who need temporary income support during periods of unemployment.

There is no doubt that many changes made to the act have benefited Canadians, including residents of Quebec. The changes have resulted in everything from improved parental leave to community solutions for the challenges faced by seasonal workers.

We realize that we constantly need to look at ways to improve the system so that it can continue to meet the needs of today's workers and adapt to changing economic conditions.

As we have seen over the past few years, economic conditions can quickly take an unexpected downturn.

[*English*]

That is why the program is constantly evolving based on solid evidence for change. The act has a monitoring and assessment process built in. However, there can be no debate that EI is achieving its primary objective of providing temporary income support to people who lose their jobs and helping them return to work.

In fulfillment of our commitment to address issues raised in the report of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities, "Beyond Bill C-2", we have instituted several of the recommendations put forth by the committee. There are hon. members of the opposition who say nothing was done in terms of the committee's report and I would like to outline a few of them.

Among them, we modified the EI program so apprentices need only serve one two week waiting period over the duration of their apprenticeship program. We also made—and this is a very important change for seasonal workers—a small weeks provision a national and permanent feature of the EI program on November 18, 2001. The EI regulation relating to the way undeclared earnings are calculated was repealed in 2001.

• (1145)

[*Translation*]

Since 1996, the government has brought in some changes in the legislation to meet the changing needs of Canadians.

Yet, we should not forget the many problems we had to address in the previous unemployment insurance plan.

I would like to remind the House that, when we modernized the plan and replaced the previous legislation with a more progressive Employment Insurance Act, many part-time workers were not covered by the EI plan. Many of them were prisoners of the 15 hours a week rule, because employers were giving them the minimum number of hours of work in order to avoid paying EI premiums. When we switched to first dollar coverage, some 400,000 Canadians previously denied the EI benefits became covered.

Supply

This important change and other reforms we effected make for a plan that can change at the same pace as our economy and our society.

The variable entrance requirements, for example, make it possible to adjust requirements every four weeks, in each and every region of Canada, according to recent unemployment figures. It means that when workers are laid off overnight, eligibility requirements vary with the regional unemployment level.

[*English*]

Another example of our progress is the way we have responded to the needs of working parents. We extended EI maternity and parental benefits from six months to a full year and reduced the number of hours needed to qualify for the benefits from 700 to 600 hours. In fact, the Province of Quebec has one of the highest take-up rates for parental benefits in the entire country. As well, the entrance requirements for special benefits, whether maternity, parental, sickness or compassionate care, is also now 600 hours of work.

Our primary focus in reforming EI has been on enabling Canadians to acquire the new skills needed for jobs in the knowledge economy. The Government of Canada provides over \$2 billion a year to the provinces and territories under EI part II to deliver employment measures to help Canadians find and keep work.

We have worked closely with the private sector and communities, funding a range of learning and skills development opportunities in communities all across the country, something recommended in "Beyond Bill C-2". For instance, we have worked with regional partners developing innovative strategies that build on the work of local seasonal worker committees established in Quebec and New Brunswick in 2000.

[*Translation*]

Let me mention one of the projects funded by Human Resources and Skills Development Canada, that is the Labour Market Innovations Program in Charlevoix. The community develops strategies to increase tourism and consequently the employment period for seasonal workers.

Those types of initiatives help upgrade the skills of the work force to ensure that seasonal workers have access to a large range of job opportunities. Up to now, we have invested more than \$4 million in projects of this kind.

I would like to point out that since 1996, the Government of Canada has continually improved the EI program to meet the priorities of seasonal workers with an annual investment of more than \$500 million. The changes that have been made helped those workers to have access to the EI program and prevented a reduction in the amount of benefits by frequent use. In 2001-02, seasonal workers received about \$2.5 billion in regular and fishing benefits, or about one-third of the total benefits being paid for that type of benefits.

● (1150)

[*English*]

At the same time, however, among the many important changes we have made to the programs, there is an increased emphasis on the necessity of a strong workforce attachment. That is why we call it

employment insurance instead of unemployment insurance. This serves as a reminder that EI provides temporary financial help to unemployed Canadians while they look for work or upgrade their skills. One of the ways we have reinforced this point is through the small weeks provision that encourages people to take all available work.

Our government will make adjustments to EI if they respond to the real needs of workers in a changing labour market.

[*Translation*]

Just in case my honourable colleagues have forgotten these additional facts, we have also, and there is proof, eased up the qualification requirements and increased the benefits paid out, as per the recommendations of the "Beyond Bill C-2" report. For example, we have reviewed the clawback provision.

This provision does not apply to those Canadians seeking temporary income support for the first time or getting special benefits anymore. Moreover, the intensity rule has been abolished because it did not increase the employment participation rate. We have also changed the rule for parents who re-enter the workplace after staying home for a while to take care of young children.

I would like to add that we have responded to the needs of workers, and to those of their employers. The employment insurance premiums have been reduced for ten years in a row, from \$3.07 in 1994 to \$1.98 in 2004. Canadian workers and Canadian businesses will save \$10 billion compared to what they were paying ten years ago.

[*English*]

Budget 2003 launched consultations and a new permanent rate setting mechanism for 2005 and beyond. Today, in the human resources committee we listened to the employers who are in fact asking for a 10 year fixed rate.

The results of those consultations are currently under review. As we reinforced in budget 2004, it is our intention to introduce legislation to implement a new EI premium rate setting mechanism that better reflects the 21st century economy.

The bottom line is that these reforms are working and producing results for Canadians. EI is there for Canadians when they need it as a temporary measure.

Supply

[Translation]

In 2002-03, close to 1.87 million Canadians received approximately \$12.3 billion in benefits. Moreover, according to data, 88% of workers in paid employment would be eligible to benefits if they lost their job. Even more relevant, since 1993, over three million new positions were created in the country, including 640,000 in Quebec, which represents an employment growth rate of 21%. Also, to date this year, in a few months alone, 61,000 full-time jobs were created across the country.

According to Statistics Canada data, general participation in the workforce is now 67.4% and a little better in Quebec, with a 67.8% rate, while it is 61% for women. These are almost record levels.

As the Organization for Economic Cooperation and Development indicated, Canada is next to last of all OECD countries for long-term unemployment rate. In 2002, less than 10% of all unemployed in Canada remained without work for 12 months or more.

• (1155)

[English]

There is always room for improvement. That is why we have reports from committees and that is why we take the reports that come from committees very seriously. I can assure hon. members of the opposition that we will make ongoing changes as we continue to monitor and assess the EI program.

The Auditor-General has said that the mechanism that is used by the government is actually one of the most competitive in terms of assuring that the system responds to the need. We are determined to ensure that this vitally important social program remains responsive to the individuals and communities it serves, as well as the economy.

However, all members in this place need to remember that EI is only part of the solution. The Government of Canada's priority is to ensure a strong economy that stimulates job creation, and invests in the skills and knowledge of Canadians so our country can be on the leading edge of innovation. We want to ensure Canadians are equipped with the tools they need to capitalize on opportunities in the knowledge economy and to prevent them from having to depend on EI.

I think everyone wants to work rather than collect EI.

[Translation]

Mr. Speaker, this issue demands the commitment and support of all Canadians. We must all work together, with the Government of Canada and our partners, employers and employees, to create an even stronger economy and a better future for all of us.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, it is really pitiful to hear such a speech. It contains a lot of falsehoods. First, we are told that 400,000 more people will be included in the plan. They will be allowed to contribute. Before, they were not. Now, they are allowed to contribute, but if they are women or young people, they will need 910 hours to be eligible. Many of them will never be eligible.

If they are seasonal workers, they will need more hours than before. The government even went as far as curtailing the number of

weeks they are entitled to benefits. Next winter, if the transitional measures are not extended, we will be faced with a gap not of 10 to 12 weeks, but of 20 to 25 weeks. Do you know why they do that? To collect surpluses in the EI fund and use them to pay down the debt with the money taken from those in society who earn the least. That is totally revolting.

The parliamentary secretary was at the committee meeting on Tuesday morning. The member for Madawaska—Restigouche, a Liberal, was compelled to denounce her attitude. She was totally closed-minded to the needs of the unemployed and the reality they face. Could she explain why, three years after the unanimous report, the EI plan still discriminates against young people and women who re-enter the labour market, and why no follow-up has been given to the recommendation that self-employed workers should be admissible to the EI plan? How can it be explained?

How can one explain why, regarding parental leave, it took a court decision for the federal government to accept to sit down again at the negotiation table with Quebec? The court said that it was not a federal matter.

How can the government explain why, three years after the report was tabled, it still refuses to make the recommended changes to the EI plan? Is it because there is no money left in the fund because all the surpluses were used to pay down the national debt?

Hon. Eleni Bakopanos: Mr. Speaker, the only people who are telling lies and distorting the facts are across from us here in the House. We know them, we know the political rhetoric of the Bloc Québécois. There is nobody...

• (1200)

The Acting Speaker (Mr. Bélair): The hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques on a point of order.

Mr. Paul Crête: Mr. Speaker, I would appreciate my colleague to withdraw the word "lies". There were no lies. I never used such a word in my speech. You should read the blues, I never uttered the word "lies".

I demand that the member withdraw the word "lies".

The Acting Speaker (Mr. Bélair): One moment please.

I am informed that indeed certain words that were uttered are unacceptable. I ask the parliamentary secretary to withdraw what she has said.

Hon. Eleni Bakopanos: Mr. Speaker, I still intended to withdraw them, but let us not forget that, on the other side of the House, someone said, "This is not true". If a word can be used, another one can ultimately mean the same thing. However, I withdraw that word because I am very respectful of the House and have always been. After all, I was Assistant Deputy Chairman at one time.

As far as small weeks are concerned, I already said in my speech that we made changes in this regard. Yet, the member said that we did not.

Supply

Concerning the case that went to court, we launched an appeal because there are constitutional considerations. We are negotiating, at this time, with our provincial counterparts regarding parental leave. We hope to sign an agreement in principle soon. As for the court appeal, it is because there is a constitutional issue that must be resolved at a higher level.

We are not close-minded, and I do not accept that the member says that we were close-minded in committee. No one was close-minded, no one is insensitive toward workers. I think the language has to change on both sides of the House. Perhaps it is the member who started this type of exchange.

On the government side, a committee has already recommended that we look at the issue of self-employed workers. We are open-minded on this issue. No one, on this side of the House, has ever said that we are close-minded regarding self-employed workers. I myself raised this issue before the standing committee of the House.

Hon. André Harvey (Chicoutimi—Le Fjord, Lib.): Mr. Speaker, I understand why my colleagues from the Bloc would be offended and upset, because the best job in this country is that of a Bloc Quebecois MP. When the government does something right, it is thanks to them, and when—

An hon. member: The worst job is that of a Liberal MP with nothing to do.

The Acting Speaker (Mr. Bélair): I am sorry to interrupt the hon. member for Chicoutimi—Le Fjord, but before things get out of hand, I would ask all members to keep their remarks relevant to the subject being debated. The member knows full well that the inflammatory comments he just made will trigger very strong reactions on the other side of the House; I do not think this is necessary at all.

Hon. André Harvey: Mr. Speaker, it will not be as inflammatory from now on because I will be talking about figures. For people who have an extremely sophisticated research bureau, I must say that when Bloc members decide to work on a particular issue, they have great difficulty getting their facts straight.

With regard to employment insurance, everybody agrees that improvements are made regularly and will continue to be made. Some Bloc members came to my riding and talked about a \$157 million deficit in the EI fund. We did some research on these figures, and it was in fact \$239 million that was paid in the last year for which the financial reporting had been done. As for the softwood lumber issue, it is always the same.

I have the figures for the last 20 years. In Quebec, over that period, there is a surplus of some \$13 billion in the EI fund in favour of recipients. And the same applies for the last 10 or 11 years.

We are talking about numbers, and on this topic I would like to ask my colleague if we can also talk about initiatives funded with the employment insurance fund. Let's think about the annual transfers to Quebec and the labour force training programs that have been going on for eight years at an annual cost of \$600 million. If we add up the numbers, the total is close to \$5 billion. This year, there are also reductions in premiums which amount to \$4.4 billion. That is interesting for the 14 million Canadians who pay EI premiums. We support the concept of program improvement and we will continue to do so.

However, I would appreciate my colleagues from the Bloc using actual and verifiable figures for all the issues on which they make presentations. We will also be ready for the election campaign and will come up with actual figures.

I would ask my colleague to explain why a supposedly responsible political party frequently releases figures that were inspired by the Canadian Labour Congress but invalidated everywhere in Canada.

An hon. member: It is the government's budget.

• (1205)

Hon. Eleni Bakopanos: Mr. Speaker, I thank the hon. member for his question. Indeed, anyone can juggle the figures.

Still, let us take the example of the Canadian Labour Congress, which said that only 35% of workers qualify for employment insurance. This figure represents the percentage of people who qualify for employment insurance, not the percentage of all workers who still collected benefits.

An hon. member: Oh, oh.

Hon. André Harvey: It is always empty rhetoric. Let them all come and debate the issue at home. We will talk about figures.

Hon. Eleni Bakopanos: As regards benefits, over \$3 billion are transferred to Quebec each year. My colleague made the point and the figures are available if opposition and Bloc Quebecois members are interested. They will see that, in Quebec, benefits are equal to premiums.

When the Bloc Quebecois says that workers are paying more than they are getting, it does not take into account all the other benefits, such as parental leave, and the new system that we implemented to give people the opportunity to care for a family member who is sick. We put in place a whole set of measures.

Even though we point out our good initiatives, we know that the Bloc Quebecois is not interested only in helping workers. The Bloc does not want Canada to work. It does not want us to continue to look after workers, because it is only interested in separation and in trying to make the system fail.

An hon. member: They like to organize protests.

Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ): Mr. Speaker, I am very happy to speak today in the debate on the motion by my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, which reads as follows:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled "Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance".

I would like to take a few seconds to sort out some figures. I hope that the parliamentary secretary is listening carefully. It is rather strange to see the government strutting out a meaningless figure.

When people lose their job, the first thing they do is to check whether they might qualify for EI benefits. They are told that they have accumulated enough hours and that they qualify. This is the famous 80% or so of workers that the government is talking about.

When we talk about the 40% or so of workers who lose their job and who receive EI benefits, we are telling the truth also. It is the same reality that they are talking about.

In fact, a young worker, for example, cannot qualify if he is let go after having worked 800 hours at a first job. He would have needed 910 hours. With their 80%, they forget these people. And what about the woman who comes back to the labour market and does not have the required number of hours and then loses her job? She is not included either in the 80% the government is constantly bragging about.

The much vaunted 80% has to do with people who qualify for EI. But what about young people, older people, women and others who do not qualify? When one stops to consider what they have really put in place, it is a plan where only 40% of unemployed people qualify for benefits. They should stop saying that it is 80%. That is not the right figure. It is not 80% of the unemployed who get EI benefits; it is 40%. Possibly 39% or 41%, but somewhere close to 40%. So let us stop trotting out that figure, because it is a false one.

For the last eight years, we have been hearing the same old song from the government that does not understand a thing. I remember when Lloyd Axworthy was minister. He is the one who launched the reform. For at least two years, he rose to answer questions put by my hon. colleague from Mercier, who thought the reform did not make any sense and went as far as predicting the problems the reform would bring on. During two years, the minister told my colleague that she did not understand anything, that she did not know how to read and that she had not bothered reading the documentation. He kept saying that for two whole years. That is the only thing he told my colleague.

According to the hon. member for Chicoutimi—Le Fjord, they are aware of the problems, they realize that changes are needed; some have already been made here and there and they will make some more. But that is not what he used to say when he sat on this side of the House as a Conservative. He thought the reform brought forward by the Liberals did not make any sense.

We can only hold people hostage and play them for fools for so long. This is probably the last time I have the chance to speak in this House. So, please allow me to thank each and every one who helped me do the work I really enjoyed doing for the last 11 years.

However, the Parliament of Canada needs to come up with answers for the people. Whether the government is red, blue or any other colour, it needs to respect the people and stop lying. There is just so much we can take. Things are getting out of control. The employment insurance reform is a complete disaster.

• (1210)

During the 2000 election, I remember quite well the member for Bourassa, president of the Privy Council and the member for Outremont, who was then a minister, traveling across Quebec and saying: "Please, stop your demonstrations, do not demonstrate. We will take care of you after the election". We had to wait to be on the eve of an election again for this government to decide to take care of those workers who have lost their jobs. This is nonsense. We are fed up with this system. People are fed up.

Supply

During the next election, people will send a clear message to the Prime Minister. In Quebec, at least, they have understood. I hope that in the rest of Canada people will also understand that it makes no sense to be governed by arrogant and incompetent people who line their pockets and empty those of the public. They are the ones who force people into unemployment, into a gap situation and who say that they will make small reforms and that they have already made some, as the member for Chicoutimi—Le Fjord was saying. This is truly an aberration...

The Deputy Speaker: The hon. Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), on a point of order.

Hon. Eleni Bakopanos: Mr. Speaker, I would like to know the difference between the words "to lie" and "a lie" used by the hon. member. Earlier, I had to withdraw what I had said; however, the words "to lie" have the same meaning as "a lie". I ask that the hon. member withdraw her words.

The Deputy Speaker: I understand that, from time to time, words may be used that are disturbing and, in certain contexts, even unparliamentary.

I listened closely to the comments of the hon. member for Rimouski—Neigette-et-la Mitis and, so far, I cannot see any reason to ask her to withdraw her words.

However, since the subject has been raised, I would ask the cooperation of the hon. members who will be taking part in this very important debate for the people of Canada to do so in a parliamentary atmosphere, using respectful words.

The hon. member for Rimouski—Neigette-et-la Mitis.

• (1215)

Mrs. Suzanne Tremblay: I appreciate your comment, Mr. Speaker.

I would like to emphasize again a very important process which the hon. members must understand. Reference was made to the democratic deficit. We do have a democratic deficit in Canada, and a huge one at that.

The events of the past three or four months have made one thing clear: it is essential to have a fixed election date in order to know when an election will be called.

I could be making my last speech in this House and not be aware of it. Then again, I may get to make another speech next week, in September or in January 2005. No one can tell. If only I knew when I will be able to go on holiday, that would be just great. Instead, I have to wait, as the election call depends on what the polls and pundits have to say.

In 2000, just before the election, people were told not to worry, that changes were forthcoming. Since 2000, we have been saying and proving to the government, beyond a shadow of a doubt, that the situation of seasonal workers makes no sense. It makes no sense to create such hardship for our fellow citizens who pay taxes, allowing the government to accumulate astronomical surpluses.

Supply

If we talk about lost revenue, it is because in every single one of the regions of Quebec, in all the ridings surveyed, the average loss is \$40.5 million. That is the average for 75 ridings, ridings such as Abitibi—Baie-James—Nunavik, Ahuntsic, Beauce, Bourassa and so on. As an average they lost \$40.5 million.

Our numbers are different from those of the member for Chicoutimi—Le Fjord because we do not have the same reference point. We take into account those 60% of workers who are not eligible to EI. It is a real number which creates hardship for 60% of the people.

Let us have a look at the system we had before. I am not a supporter of the overly generous system we had before where you needed 10 weeks of work to get 42 weeks of benefits. The Bloc Québécois does not want to get back to that either. That is not what it wants.

The Bloc Québécois has worked in good faith with members of all parties. That work resulted in a report containing 17 unanimous recommendations. What we want, among others, is an end to the discrimination against young people, women, and the elderly. We want to see an end to discrimination. It does not make sense, in view of the Canadian Charter of Rights and Freedoms, that people be the target of discrimination. It is a shame. We demand an end to this kind of discrimination and equal treatment for all.

We ask the government to make an effort on behalf of workers who are the victims of the seasonal industry. When he was on this side, the member for Chicoutimi—Le Fjord was singing from the same song sheet as us. Now that he has crossed the floor, he is singing a different tune. Are we here to be blind to the needs of our constituents or to represent those who put their trust in us and voted for us?

How can people in his riding have any confidence? He may change his mind again after the next election and find it makes no sense. If he lands up in the opposition as a Liberal member, will he go back to his old Conservative buddies, since they will be forming the government next time around? At least, I sincerely hope so, because we have had enough of a bunch of people who won't understand anything. I say this openly.

How many times have we risen in this House to state the need for a special program geared to older workers, those aged 55 and over?

• (1220)

A number of plants are closing all over Quebec and Canada because the government has decided to engage in free trade, for example. In the case of cotton, it decided to open our borders to products from Bangladesh and China, and this has brought about plant closures. People who have served their employers for 30 years have reached an age where they are no longer able to do a different job.

In the past, we had this kind of program for older workers. It was tailored to their needs and worked just fine. We also had pilot projects that worked extremely well. It is not as if the government does not have examples of what can be done with the billions of dollars of surplus it is stealing from the fund for purposes other than those of the people contributing weekly to their employers. They pay premiums to get insurance. But then, somebody comes along and

says: "This is a nice pile of money. I can put it to some other use. I can use it as I like." Part of the EI fund was put into the Canadian unity fund. Anyway, we do not know where this money came from.

This does not make any sense. Older workers need support from the government because they do not have an easy time. They are good citizens who served their country well and paid taxes for 25 or 30 years. When they lose their job, we should support them.

We also asked for an increase in the mean benefit rate to 60%. When you buy insurance for your home or your car, the insurer asks you what deductible amount you would like, \$250, \$500, \$1,000 or whatever. Several things can make the insurance more or less expensive. Workers are being told this: "Your premiums will be so much, and you will have a two-week waiting period." But they are not paid 100% of their salary. The two-week waiting period is similar to the deductible I choose in my insurance plan. It is like a two week waiting period, so I should get at least 60%. Workers are not asking for so much. They are asking for benefits that will replace 60% of their salary. They are really quite generous not to ask for more. The government pockets the difference. Right now the benefit rate is 55%.

In my opinion, and this is the basis of the reform, the fund should be managed by those who pay into it. The government withdrew in 1990. Before that, it paid one third, employers paid one third and employees paid one third. Now, employers contribute 50%, and employees contribute 50%. The government does not contribute to the EI fund anymore, but it says that that money belongs to it. It is shameful. That money belongs to the employers and employees who contribute to the fund.

Since when does the money in your bank account belong to somebody else? You may have agreed to share a joint account with your spouse, which is perfectly normal, and that is what employers and employees do. They agree to share a joint account, but the government has nothing to do with it. So it is clear and simple, it is the basis of the reform: we need an independent employment insurance fund managed by those who pay into it. We want an independent fund that is separate from government operations.

• (1225)

We want a fund similar to the pension fund. We want a fund that will capitalize surpluses and that will be managed by contributors, that is employers and employees. We want the premium rates to be established in a way that will create a balance between debits and credits.

Recently we became aware of a letter sent by the Prime Minister to the provinces, including Quebec. He told them to increase taxes, to get the money they need to discharge their responsibilities. What employers and employees want is to be able to manage the fund, to balance debits and credits and to build a reserve. The government's actuaries have always said we should do so. There would be no problem in taking all these things into account and in building the kind of reserve that would help us through tough times.

We are calling for an in-depth reform of the employment insurance plan, which needs to be rethought from *a* to *z*.

I remember hearing a minister—who is now responsible for health—say that what they wanted to do in fact was to send everyone back to work. It is ridiculous.

Currently, one of the negative impacts of the employment insurance program is that it contributes to young people leaving our regions. This is disastrous. The Liberals must stop their nice rhetoric to the effect that they wanted to put everyone back to work. When a young person from the Gaspé or the Lower St. Lawrence region has worked 600 hours at a summer job, he or she is forced to go to Montreal or to Quebec City to complete the required number of hours of work, if he or she wants to be able to get his or her job back in the region the following year. Quite often, a young person who left the region to be able to continue to work does not come back in our region.

The government should stop wearing blinkers and look at the negative impacts of its reform to truly be able to conduct the in-depth employment insurance reform that is needed in Canada.

Hon. André Harvey (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, I thank the hon. member for the interest that she is taking in my riding. This bodes well for the upcoming election campaign.

In politics, I would rather be part of the solution than making situations worse. This is true for everything. I want to ask the hon. member if, as regards the moneys collected by the government through the employment insurance program, through taxes and so on, we should not try to achieve a balance between the 14 million contributors and the 1.2 or 1.6 million claimants who qualify for benefits. It is at this level that a balance must be achieved.

I want to point out again to the hon. member that our role is to improve all existing programs in the country. As regards the employment insurance program, we will continue to improve it.

I want to ask the hon. member if, for example, she views as something positive the transfer of manpower training to the Quebec government, almost eight years ago? This measure resulted in close to \$5 billion being transferred from the employment insurance fund to the Quebec government to manage manpower training programs.

I would like to ask her if the decrease in premiums, which were reduced by several billion dollars again this year, is not a valuable measure for the contributors. I would also like to ask her if the income tax cuts of nearly \$100 billion for the last four to five years, which were part of the government's agenda, are not a very interesting measure for those who contribute to the collective growth and also pay employment insurance premiums?

Finally, I would like to ask my colleague, whom I respect deeply, if the government's role is not precisely to seek a balance between those who pay for a program and those who benefit from it? It is well and fine to speak about the \$40 billion surplus, but one should not forget all the initiatives that were taken and implemented to help the people most in need.

• (1230)

Mrs. Suzanne Tremblay: Mr. Speaker, the first thing to point out is that the transfer of responsibilities from the federal government to Quebec—Emploi-Québec—occurred five years ago, not eight years ago. Second, this system is working tremendously well. This week,

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we heard testimony at the Standing Committee on Human Resources Development. These people are frontline witnesses. They agreed to testify and to tell us simply and spontaneously that this system was working very well.

There is another important thing that my colleague from Chicoutimi—Le Fjord must consider. First, it is true that it bodes well for the campaign, because I am convinced that we will win the riding back and the member for Chicoutimi—Le Fjord will sit with us in the next session. Unfortunately, I am even willing to give him my seat. He can sit here so the member opposite can see him well on television. Perhaps he will be sitting in the first row.

In any case, my colleague should realize that employment insurance is currently a hidden employment tax, which targets mainly the neediest and the least fortunate in our society, since EI premiums do not increase for people whose income exceeds \$39,000.

It is a tax on the poor and the less fortunate that creates surpluses in the billions of dollars, which the government uses to pay off its debt even though it has never discussed this with anyone, that is, how long it might take to reimburse it, how quickly it should be done, to whom it should be reimbursed and so on. This is another thing that it does surreptitiously by hiding its surplus when it tables its budgets.

The government is bragging as though it were a good manager. It is saying, "Surprise, surprise, the surplus is not \$3 billion as we said it would be, but \$10 billion. Since it is too late to use it on something other than the debt, we will use \$7 billion to pay down the debt". This was planned from the beginning. The government thinks we are stupid. We have been seeing the same scenario for 11 years. The Liberals have not changed and, until they do, from year to year, Canadians will continue to lose confidence in them and they will clearly show it in the next election.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, first of all, I would like to thank the member for Rimouski—Neigette-et-la Mitis for all the work she did as a member of this House. She has decided not to run for the next election. I would have liked her to continue because she brings to the debates in this House a breath of fresh air which is very useful and very important. I thank the member for Rimouski—Neigette-et-la Mitis for her contribution.

I would also like to remind the House that, today, we are looking at a unanimous report. This is not a Bloc Québécois position, not a Conservative position, not a NDP position and not even a position exclusive to the Liberals. This report reflects the position of all members of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities; therefore, it reflects the opinion of representatives from all those parties.

The purpose of the motion we are putting forward today is to have the House adopt a unanimous report tabled by parliamentarians three years ago so that the government can act upon it.

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I ask my colleague if the problem we are facing today would not in fact be that in the last three years, the government has accumulated a \$11.3 billion surplus in the employment insurance fund but has made the political decision to allocate the whole amount to debt repayment or to other government expenses, rather than keeping part of it to make these legitimate improvements to the system, since the contributions to the employment insurance program are all made by the employers and the employees.

Are the employers as well as the employees not right to feel ripped off today, since after three years there has been no improvement to the system while this very concrete report—and I will close on this—recommends the adoption of an action plan to prevent possible EI abuses and frauds. It also asks the investigators to do their work in a respectful and ethical manner.

The report is not just about what the government can do. It also looks at the obligations of workers and public servants. Would the government not have been in a position to produce an employment insurance reform that was much more humane and respectful toward workers, particularly seasonal workers, if it had not allocated all of the EI surplus toward debt reduction?

• (1235)

Mrs. Suzanne Tremblay: Mr. Speaker, I thank my colleague for his question and for his kind, comforting words.

I think the government would be in a much better position had it kept its word. You will surely remember, Mr. Speaker, since you were a candidate in the 1993 election campaign, that Mr. Jean Chrétien had made a promise in the first red book. “We will stop the reform proposed by the Conservatives, it is an aberration, that reform makes no sense at all. Elect us and you will see that we will never go ahead with that reform, which goes too far and makes no sense”. Canadians believed Mr. Chrétien and his representatives and gave them a Liberal majority government.

In 1997, he sang the same tune again. “Re-elect us and we will reform the employment insurance plan”. There had been a lot of criticism with regard to the reform that had been undertaken. The Liberals, who had condemned the EI reform proposed by the Conservative government when they were in opposition, went a lot further than the Conservatives intended to go in their reform when they were in office.

So, in 1997, Mr. Chrétien said, “Trust us and we will carry out the EI reform”. But it did not happen in 1997, there was no reform. They waited on the eve of the election to send an army of ministers across the country to say, “Stop the protests, we have not done the reform but I promise you that we will do it after the 2000 election”.

We are on the eve of the 2004, or perhaps 2005, election, and we are still waiting for the reform. But this time, the workers and the unemployed no longer believe in the Liberal Party and, the next time, they will send them to the opposition benches.

Ms. Yolande Thibeault (Saint-Lambert, Lib.): Mr. Speaker, I welcome this opportunity to take part in the debate on the member's motion and further examine proposals to reform the EI plan. I would like to start by saying that this government's commitment to making sure that EI helps Canadians cannot be doubted. Neither can our

determination to change the EI plan when there is a clearly proven need to do so.

Since the new EI plan was put in place in 1996, the government has shown that it was willing to listen to Canadians. We made adjustments to the plan, in the light of established facts, to make sure it meets the needs of our fellow citizens and keeps on adjusting to the changing circumstances of the labour market.

A quick look at our record will clearly illustrate what I am saying. You will see that we are working hard to make sure the plan meets the needs of all Canadians, including those who live in Quebec. When the government introduced a new EI plan in 1996, it was with a view to ensuring the long-term sustainability of the EI plan in Canada.

Also, we committed to tracking and assessing the performance of the plan to see how people and communities would react to it. When the need for adjustments is obvious, the necessary changes are made. Those goals guided our approach to reforming the EI plan in the past, and they continue to guide us today.

Most people agree that this approach to EI meets the needs of Canadians. Today the plan is financially stable. Premiums went from an historical high of \$3.07 in 1994 to a much lower rate of \$.98 this year. Currently it is estimated that 88% of Canadian workers would be eligible to EI were they to lose their job. I will add that the plan evolves to meet changing needs.

The government recognizes that certain regions and certain groups of workers, including those in some seasonal industries, may have to meet specific challenges to try to adapt to the changing realities of the labour market and the new economy. The EI plan adequately accounts for these exceptional situations.

Our track record is clear: since 1996, the government has already made changes to accommodate the changing needs of Canadians, including seasonal workers. Bill C-2, enacted by the House of Commons in 2001, is a good example of that.

It included a number of significant changes with regard to today's debate. We eliminated the intensity rule to avoid penalizing frequent users. We targeted the clawback clause so that it would not apply to first time claimants, those who receive special benefits and low and middle-income claimants. We made adjustment to ensure that parents re-entering the labour market enjoy the same eligibility to benefits as other workers.

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● (1240)

Since Bill C-2 was passed, the government has enhanced the EI plan by amending the small weeks regulations. First implemented as a pilot project in 1998, the small weeks regulations were aimed at helping seasonal and part-time workers retain their connections with the job market and hence their eligibility for EI benefits, by encouraging them to work for less and ensuring that those small weeks have no impact on their eventual EI benefits.

Thanks to the small weeks provision, which is now an integral part of the employment insurance plan, over 185,000 people were able to earn more money and enjoy a \$12 increase in their weekly EI benefits.

Let me give you another striking example. In 2000, EI economic regions came into effect in order to take into account the high unemployment rates in some regions of the country. As we know, some workers in some regions, especially seasonal workers, need more time to adjust to the changes made in 2000, and we showed some flexibility in addressing their concerns.

For instance, the government has set up a special transition period for the Lower St. Lawrence/North Shore region as well as the Madawaska-Charlotte region in western New-Brunswick. The claimants in these regions need fewer work hours to become eligible for EI benefits and they receive benefits for a longer period of time than they would have without a transition period.

We have also changed the way undeclared earnings are calculated to make life easier for the employers and treat workers more fairly. The apprenticeship trainees are now subject to only one two-week waiting period during their training program. Quality service continues to be one of our main goals and we have taken steps to prevent and fight abuses.

In cooperation with local committees, the government will continue to monitor the situation in these economic regions and elsewhere, and is also willing to make additional changes if need be.

In a nutshell, if we take a close look at this government's record on employment insurance, we can see that it understands the need to listen and to make changes in the best interests of Canadians and of the long-term sustainability of the employment insurance system. Flexibility is one of the strengths of our system. This means that we can adapt to changes in the needs of Canadian workers and in the labour market situation. Still, not all changes are acceptable.

The government is clearly committed to ensure that the employment insurance system remains financially sustainable in the long term, and has also promised to make sure that it meets legitimate needs that might arise. All appropriate measures were taken in the past, and I know that we will do the same in the future.

● (1245)

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, the Liberal member alluded to the stability of the system. I hope she will agree with me that the only thing that has remained stable is the revenue generated by the system for the federal government since 1996.

In 1996, the federal government stopped contributing to the EI account. All it has done since 1996 is rake in surpluses. As of 2003-04, the surplus totalled \$42.5 billion. That is stability.

Meanwhile, the men and women who should have benefited from the EI system have seen their benefits decrease, and the percentage of unemployed who qualify has dropped from 42% to 39% between 1996 and 2002. In addition, benefit payments were 17% lower in 2001 than they were in 1994.

I just think that my Liberal colleague should remain within the bounds of what is fair and honest in her remarks. The only stability was in the EI account being tapped by the government for uses other than helping workers who have lost their jobs, including seasonal workers.

Ms. Yolande Thibeault: Mr. Speaker, the hon. member claims that only 32% of workers are entitled to benefits. I can tell you that it is 88% and there are studies to prove it. Furthermore, I am on the Standing Committee on Human Resources and last week we asked the department to justify the 88% figure, just as we asked those who claim that it is 32% to justify that figure as well. Something does not add up. I think it is a question of methodology. It is a matter of comparing the two reports, not comparing apples and oranges.

I would like the hon. member to know that, in any event, I am prepared to accept these figures.

● (1250)

Mr. Mario Laframboise: Mr. Speaker, the figures I used did not come from the Bloc Québécois, but a Canadian Labour Congress report entitled "Falling Unemployment Insurance Protection for Canada's Unemployed, March 2003". These figures did not just fall out the sky. This is a study that was done by the Canadian Labour Congress, which mentioned that under the Liberal government since 1993, the percentage of claimants has gone from 57% to 39%, a 22% decrease in the number of people entitled to receive benefits. That is the harsh reality of the Liberal governance. I would like it if the hon. member, who talks about the good things, would also talk about what I have been telling her since the very beginning; the only stable thing, the only good thing the federal government has done in the employment insurance program is to collect money from the unemployed and from workers. Since 1996, it has plumped up its coffers by raking in \$42.5 billion.

Ms. Yolande Thibeault: Mr. Speaker, let us go back to the Canadian Labour Congress study. In that study, they use the following categories to obtain their figure of 38% or 32%, depending on whom we speak to.

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The study includes those who have never worked, those who have never paid premiums, the previously independent worker and even students. On the other hand, the 88% figure quoted by government includes only those who are now working and paying premiums. If they lost their job tomorrow, 88% of them would be eligible for employment insurance benefits. That is the truth.

[*English*]

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, I have been listening to the debate and surely the Liberal member who just spoke is not denying that workers and employers have made contributions to the EI fund that are far in excess of what is needed to survive any economic cycle of downturn.

It is clearly documented that the overcharges have contributed about \$3 billion a year to the fund, and sometimes it has been even more. In the 10 years since the Liberal government took office, the so-called surplus in the EI fund is in excess of \$40 billion. Numerous studies have suggested that those contributions should be dovetailed more closely to the economic reality of what it takes to survive an economic downturn. That means that the EI premium rates for workers and employers need to be decreased and they needed to be decreased several years ago. The fact remains that the Liberal government has taken over \$40 billion more than it needed from the employers and employees, which has contributed to this huge overpayment.

As we know, the EI premiums go into general revenue, so there is no fund because the government has spent it on other things.

I would ask the member to admit that there has been overpayments from these two groups in excess of \$40 billion in the last 10 years.

[*Translation*]

Ms. Yolande Thibeault: Mr. Speaker, I thank my colleague for his question.

Some people seem to think that excessive amounts were paid into the employment insurance fund. However, as I said during my speech, premiums have been decreasing since 1994; they have gone from \$3.07 to \$1.98 this year. That represents a considerable drop. In fact, they have fallen by a third.

Also, we should not forget all the programs that have been developed for the employment insurance recipients. For example, there is parental leave, which went from six months to a year. A new measure has recently been implemented for palliative care. A person who has to care for a parent, a child or a spouse suffering from a terminal illness can now apply for employment insurance benefits.

I think these provisions are all to the credit of our government.

• (1255)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, allow me to revisit a statistic my colleague has quoted to make sure it is well understood.

The 88% figure represents the number of people who have put in the hours needed to qualify and who are getting a cheque. That is like saying that out of 100% of Toyota owners, 88% took their car this morning and 12% did not. It is totally wrong to use this figure to demonstrate the effectiveness of employment insurance.

The way to do so is by determining what proportion of those without work, they are the people with no income, actually receive EI.

Earlier, my colleague mentioned those who do not pay into the plan. That in fact was part of the committee's recommendations, which Liberal members supported. The recommendation we are discussing today does not come from Bloc members or the Conservative members. All committee members agreed that the self-employed should be covered by the plan since they are not at present.

Having accumulated a surplus of \$11 billion over the last three years, could the federal government not have made a political decision to put half of this amount toward improving EI, rather than use the entire amount to pay down the debt? What we would like to know is why the Liberals stubbornly refuse to introduce a reform? Is it because they have already spent all the money elsewhere?

The Deputy Speaker: Since we have very little time left, I will ask the hon. member for Saint-Lambert to make her remarks quite short.

Ms. Yolande Thibeault: Mr. Speaker, I will try to make my remarks as short as possible. I would like to point out to my hon. colleague opposite that most independent workers are not interested in contributing. If they did contribute, they would have to pay a double premium. To be eligible, they would have to pay both the employer's and the employee's contribution.

This is a very complex issue.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is with a great deal of anger that I rise today to participate in this debate. In order to prepare my remarks, I went over several speeches I made in the House in 1994, 1995, 1996, and 1997.

The motion introduced by the Bloc this morning is quite moderate, compared to the drastic cuts the Liberal government made to the unemployment insurance plan. That is what the plan was called, and should still be called, until the government, under the then finance minister and now Prime Minister, decided to make cuts that were and still are drastic, and that had a devastating impact.

These cuts have an impact on those who have no employment security, those who do not have the means to buy stocks and generate a high income the way others can.

The unemployment insurance plan was there for more people and it was the only support workers could get while they tried to land another job or waited for their plant or business to reopen. That is the real *raison d'être* of the unemployment insurance. It is meant to be a bridge between jobs.

Supply

The current Prime Minister is trying to make us cry by referring to the fact that, since he is his father's son, he cares for social programs. However, he is the one who, as the finance minister, presided over their demise. Indeed, polls were taken at the time the famous project was agreed upon in 1996 and implemented in 1997, when the decision was made. The polls showed that Canadians and Quebecers were satisfied and wanted these programs.

However, it was quite ironic to see that, at the time, the human resources development minister was saying that he wanted the reform to make Canadians—he did not add Quebecers—proud to be Canadians—and he could not add Quebecers either. However, the opposite happened. This is extraordinary, because, at this time, far from being proud, people know that this insurance program, now called “employment”—even though we had tried at the time to keep the word “unemployment”, because it is true, it does not guarantee employment to anyone, it is the opposite—would not help ordinary people, but make their life more difficult.

We are getting close to the election and, suddenly, the government shows a little bit of sensitivity, just a little bit. Who will benefit from this sensitivity? Seasonal workers. I am not saying that sensitivity is inappropriate; I am saying that it must be real. It must fill the gap, but this is not the only issue.

Some may ask if this gap appeared in 2004. At the time, we experienced the gap, we had seen it the first time with the first reform by the government.

Of course, the government talked about this in 2000, once again, just before the election. Indeed, just before the election in 2000, there was a small reform that removed a few irritants. However, seasonal workers need much more—we do not know what is in store for them and how we could write it—than covering the gap. It must be filled, but much more than this is needed, because they are not the only ones who feel insecure. This is the truth.

• (1300)

I would say that, even with EI, there are not many who have enough money available to be able to buy groceries for five or six weeks, pay rent and so on. The same must hold true for people who earn high salaries.

It is already difficult, the way employment insurance is set up at the moment. So think about how difficult it is without EI. What do people do when they are not getting any benefits? Some say, I know, that they go out and get another job. We know there are limits to that possibility. People go on welfare when they have no EI. They have no choice, but by doing so their status changes. They end up getting discouraged.

I am not going to address the Bloc proposals per se. I support them two hundred percent. I will say, for the benefit of those watching that these are minimal proposals. Quebecers and those in the rest of Canada need to hear that.

The history of this reform, like the rest of history, tends to get forgotten. People must not forget, however, that if we have ended up with a deficit—the one referred to across the way, against which we must take steps—it is because the Conservative government got the unemployment insurance fund to pay three years in a row for \$2 billion worth of “employability” measures, we can call them, at a

time of high unemployment. So that makes a total of \$6 billion, three years of \$2 billion each.

Then, even during a time of high unemployment, when it was found that the jobless rate had gone down somewhat, they were stuck with a deficit to be dealt with. When the cuts were brought in 1997, there was already a \$4 billion surplus in the fund. In other words that action was taken not in order to compensate for a so-called deficit, but for fiscal reasons. They wanted the workers, the jobless and small and medium business in particular to pay for the deficit. That was a conscious decision.

On the eve of an election, the Prime Minister is adopting bare bones measures regarding seasonal workers because they are taking to the streets. And so they should. Does the Prime Minister think he will make us forget all this? No. I know one thing: during this election, if it ever comes, I will keep talking about it. The reform has changed and upset the lives of many young men, women, and immigrants who are entitled to work. It has transformed their daily lives because it has put them in a state of insecurity.

It has also had other negative effects such as encouraging people to work under the table. Why? Because people who work odd jobs for a short term, who think they could never be entitled to benefits, are better off not paying the premiums. Employers do this despite the heavy penalties.

One of the worst things about this reform is that it has forced all workers to pay premiums starting from hour one. Therefore, many do not qualify to receive employment insurance and are also not entitled to a tax credit because they have not paid the premium. I am not sure of the exact number, but there must be a way to find out. Statistics Canada could find out.

The deficit was paid by low-income workers in a country that wants to come across as progressive. Furthermore, what is the ceiling for the premiums? It is \$39,000. I thought it had gone up, but it is still \$39,000. Beyond this amount, for overtime and big salaries, no EI premiums are paid.

• (1305)

By hiring people at low wages and, often, by hiring people who are not in the high tech sector but in labour intensive industries, small and medium size businesses are those which, proportionally, make the largest contribution to employment insurance.

In this country, the government made those members of the labour force—because the unemployed are still looking for work—who earn up to \$39,000 pay to eliminate the deficit. It is incredible. This has resulted in economic consequences that I cannot measure. An employment insurance program is meant to support employment. This means that when a worker is laid off, he knows that he will get money to bridge the gap between jobs.

I feel the same anger that I had when I was the critic on this issue, but we should feel such anger all the time, because our fellow citizens in each and every one of our ridings, whether in Montreal or elsewhere, whether in cities or regions, have been adversely affected in their daily lives by this legislation.

Supply

I already said that this reform should be a counter-reform because, usually, a reform improves the situation. Be that as it may, since this reform was made, the Bloc Québécois has worked tirelessly to protect workers, the unemployed and small and medium size businesses. The latter are the ones that paid a heavy price in the fight against the deficit.

The government made some minor reforms in 2000, just before the election. I was looking at the speeches, and we debated this issue in September and in October. We could even talk about mini “reformettes” by putting two words together. Now, the government is once again trying to sugar coat things with another “reformette”, which is not even worthy of the name. True reform is nevertheless essential for those who are facing the gap. It does not make sense that these people have had to face the gap all these years.

I hope we have an election as soon as possible, because we will then be able to discuss with our fellow citizens this so-called employment insurance program, which is not even an unemployment insurance program anymore.

• (1310)

Hon. André Harvey (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, fortunately, exaggeration does not make one sick, because my colleague would have trouble staying healthy.

We never hear a word about all the progressive measures that have been taken within the employment insurance program and with all the government revenues. Let us think, among other things, about the whole issue of manpower training, which has allowed Quebec, for the past six, seven or eight years, to receive \$600 million a year.

I would like to ask my colleague whether it is important to deal with these issues, for example, the reduction in premiums for the 14 million contributors. Is it important for employees and employers to contribute to a program where rates have been reduced by almost a third in the last few years? I would like to know, because this goes into the general fund.

I would like to ask my colleague this simple question. Is she aware that, for the past 20 years, Quebec has contributed approximately \$73 billion to the unemployment insurance fund, now the employment insurance fund, and that we have provided a total of approximately \$86 billion in benefits? Where would the money have been found to pay off the debt had there been a surplus in Quebec in the EI fund? Can my colleague confirm that, in the last 10 or 12 years, the contribution level has been about the same as the collection level?

In short, this is a Bloc strategy. When there is an issue, they take it and exaggerate it to the limit.

We made improvements to the EI program and we will continue to do so during the next weeks and the next months. Next year, after five years, there will be a complete review of the program.

Unfortunately, Bloc interventions always tend to worsen an issue rather than seek constructive solutions.

I would like to ask my colleague a question. If, over the past 20 years, Quebec has had a surplus of \$13 billion with respect to all of its premiums, why does she say that the premiums paid by

Quebeckers have been used to repay the total debt or pay down the deficit? If she wants to talk about imbalances in taxation one day, we will talk about this question, but using the actual numbers.

I encourage them to listen less to the Canadian Labour Congress. In their employment insurance calculations, I think even the furniture was included.

• (1315)

Ms. Francine Lalonde: Mr. Speaker, we know that they have not been listening to the CLC and the unions know it too.

When the member opposite talks about my exaggeration, I think he shows the extent of his own ignorance. People's lives have been transformed by these so-called reforms, which were counter-reforms. I am not saying that an employment insurance system is not necessary. All of my words and actions deny that. Still, it must be a real system, not copied from the least progressive states in the United States, and not so far, far behind western Europe.

Listening to such comments is rather good for the digestion after lunch.

With respect to Quebec, there are two points. First, a sovereign Quebec would have been far better at managing its own employment insurance system, rather than being in the situation in which it has been. There too, we can talk about it, case by case.

There is a Canadian research centre in Ottawa. How many are there in Hull? None. Let us talk about that.

As far as the Bloc strategy is concerned, I will say one thing. It is mighty lucky that the Bloc has been here to tell people what has been going on and to speak on behalf of them. The parliamentary secretary will soon find out, if he does not already know, that people are on our side, not on his. They know that what this government did made no sense whatsoever.

I do not have the letter with me, but I would like to remind the House of one thing. Once again an election is looming. On the eve of the 1993 election, the former prime minister Jean Chrétien wrote a letter to all those who were protesting a reform carried out by the Progressive Conservative Party. It was a small reform compared to what the Liberals called their reform. Nevertheless, 25,000 people had assembled in Montreal in the winter to protest this measure. In his letter, Jean Chrétien said he was sharing the pain and the fears of all those who were protesting. He told them to vote for the Liberals, and they would see how his party would take care of workers.

They did indeed see how, under the direction of the Minister of Finance bent on reducing the deficit.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I would like to put a question to my colleague. Should we not in fact use the Quebec statistics for the past 10 years?

The member for Chicoutimi—Le Fjord is talking about the past 20 years, but those statistics include the years under the Conservatives. For the past five years, Quebec has been putting a lot more into the EI plan than it has been taking out of it. Is it in fact because the government decided to squeeze the needed surpluses out of those who can afford it the least in order to eliminate the deficit and pay down the debt? He has squeezed the needed surplus out of people in the seasonal industry not only in Quebec, but also in the Maritimes. Is it not for all those reasons that today we are asking for the adoption of a unanimous report? Does my colleague not find it odd that the member for Chicoutimi—Le Fjord, who comes from an area where the seasonal industry needs help, would go against the recommendations of his own political party, in spite of the fact that, three years ago, Liberal members were in favour of this scheme?

Would my colleague agree that this government is walking all over the member for Chicoutimi—Le Fjord? Is it acceptable that the Liberals now refuse to adopt a report signed by their own committee members three years ago? Should this Liberal government not be expected to commit to a comprehensive reform of the employment insurance plan, as requested by the central labour bodies? That is what the workers want. They want the government to give them back the money it has stolen from them. We are talking about \$45 billion over the past 10 years.

• (1320)

Ms. Francine Lalonde: Mr. Speaker, I commend the work done on this extremely important issue by my hon. colleague as well as colleagues from other parties, such as the hon. member for Acadie—Bathurst. We had started working together on this even before he became a member of this House.

The hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques just touched on something that must pain the members opposite. During the past five years in particular, Quebec has been paying more than it has been receiving. This had started earlier.

That is also related to development. Under the PQ government, Quebec has developed, particularly in the high tech sector. It was therefore better equipped to face the new economy and the competition that comes with it. Quebec has paid the price for that.

I think that the hon. member opposite is finding himself in a pickle. He knows that we are right. Despite the so-called free vote guidelines in the government party, he is nonetheless expected not to support a unanimous proposal passed during this Parliament.

The hon. member should listen to what his constituents have to say. They would tell him that with the contributions from the employees, the employers and especially the small and medium businesses, the plan should have been enhanced. Changes are needed, but people should not be forced to live in insecurity.

The unemployment insurance plan, which has been misnamed the employment insurance plan, should give a chance to workers who have no job security. It should give them some security between jobs. It should support workers who never had the opportunity to pile up money the way rich people do.

Supply

This is not a social program, but an economic one. Countries who understand that have maintained over the years a high quality plan, even when they had to bring in reforms.

The hon. member should learn more about unemployment insurance. Reading about the purpose of such a plan would prevent him from making remarks he could live to regret. I think a real unemployment insurance plan should be just that, an insurance plan, an essential part of any economic policy that provides opportunities to everybody, not just the privileged.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, it is a pleasure to have the opportunity to speak to this motion brought forward by my colleague from the Bloc Québécois. It reads:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled "Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance".

However, I find the comments made by the member for Chicoutimi—Le Fjord a bit odd, particularly when he said that according to the CLC, if we are going to do something, we might as well include the furniture. I take that as an insult to the CLC. Let us not forget that the Canadian Labour Congress represents the workers. It is there for them. It is unacceptable for the member for Chicoutimi—Le Fjord to make such a statement in the House, especially as he was representing the Progressive Conservative Party before the last election.

If we look at *Hansard*, if we read the speeches he gave then, we see that he disagreed with the changes made by the Liberals in 1996. As a matter of fact, the member for Chicoutimi—Le Fjord supported the then member for Beauséjour—Petitcodiac, Ms. Angela Vautour. They were going hand in hand, denouncing the changes to employment insurance. Now he is fighting the Liberal fight in the House of Commons.

It is regrettable, and you can check it in *Hansard*. Hopefully, TV viewers in Chicoutimi—Le Fjord will also remember what happened then and how much this member has changed over the past few years to the point that he is now defending the Liberals for taking some \$43 billion from workers and employers who contributed to the UI plan that was used to help workers who lost their job, or workers in the new economy.

Forty years ago, in the 1960s, when the UI plan was introduced, only 5% of women were working. Nowadays, we have reached the point where we probably could say it is nearly half and half. Therefore, the plan must adapt to that reality.

A pregnant woman is not a sick woman. A pregnant woman is a woman who contributes to life. I want to thank the woman who brought me into this world. If that woman had had the opportunity to be part of the work force, I would have liked her to be treated fairly, like any other worker. We must thank the women who gave us life, instead of claiming they should not receive benefits when they leave their job for a while to take care of their child. Some of the arguments we hear sometimes are unacceptable and shameful.

Supply

This morning, at the Standing Committee on Human Resources Development, the employers agreed with us that the federal government has used the EI fund for one reason only, to pay down the debt and reach a zero deficit. However, on whose back has it done so? On the backs of workers who lost their job. Nevertheless, it wants Canadians to believe that the only reason why it changed the EI program was to force people to go back to work.

Again, I completely disagree. A seasonal worker does not lose his job of his own doing. He does not wake up on a Monday morning and say, "I am not going to work". He ends up jobless because of the nature of the work he does. There are no seasonal workers in Canada, only seasonal jobs. If people find themselves unemployed, it is because of the nature of the work in their area.

• (1325)

Let me provide a brief historical overview. I think it would be worth it even if a lot of people remember what happened.

In 1986, the Auditor General of Canada recommended that the unemployment insurance funds be added to the consolidated revenue fund. It probably never crossed his mind at the time that his recommendation would open the door for the federal government to use the surplus to eliminate the deficit and balance the budget. I do not think that is what the Auditor General had in mind.

At the time, the employees and the employers were contributing 80% of the money in the UI plan, compared to 20% by the government. Nowadays, they are responsible for 100% of the funding of the EI program. Some people wonder why I keep talking about unemployment insurance. Why should we not call something by its true name? Unemployment insurance is for people who have lost their jobs; employment insurance gives the federal government the opportunity to get its hands on the money and spend it as it pleases.

In 1986, the money went into the consolidated revenue fund. Following this, you may have noticed that changes to unemployment insurance started to be made. Indeed, right away, the then Conservative government thought that this was a place where it could get money. It could dip into the fund. This is where it all began. We must not forget the historical facts.

As I said often in this House, on July 31, 1989, my predecessor, Doug Young, told Canadians, New Brunswickers in particular, "I ask people in New Brunswick to fight vigorously against any change to unemployment insurance, because it will be a disaster for New Brunswick". As a member of Parliament, Doug Young recognized at the time that we had seasonal workers, fishermen, forestry workers and so on. He was trying to impress people to be re-elected to the House of Commons.

I remember being in Inkerman, where there was a debate between the Conservatives and the Liberals; the Conservatives were in power. Doug Young said that he wanted people to vote for him, because if he was elected to go to Ottawa, he would ensure that changes to unemployment insurance would be made, because people deserved it. I was there during the debate. It seems that, come election time, candidates from parties that want to form the government think that it is time to reform the unemployment insurance plan, whether there are candidates from the opposition or not. Meanwhile, we have

people who have suffered. Men, women and children have suffered from with all the changes.

I will move forward quickly. I will go to February 1993. Jean Chrétien, who was the prime minister of Canada in the last years, was the leader of the opposition. He sent a letter to a group of women from Rivière-du-Loup. He said that the changes that the Conservatives were making to unemployment insurance, and the way they were making them, were shameful. Indeed, instead of attacking the problem—which was economic development—they were attacking the most vulnerable, people who had lost their job.

In the fall of 1993, many were surprised to see the Liberals elected. Given all that was said during the campaign, all the statements made by Jean Chrétien and Doug Young, we really thought that workers could breathe a sigh of relief, that they would get what they were entitled to. It did not happen. The changes kept coming and then the really big changes came.

These changes were so tremendous that the government was raking in surpluses in the EI account to the tune of \$7 billion and \$8 billion a year. And this was coming out of the pockets of workers who had lost their jobs, of people who were in need. The way the Liberals went after the Canadian workers is a shame.

• (1330)

Since then, small changes have been made. Today's motion from the Bloc Québécois asks the government to consider implementing the parliamentary committee's 17 recommendations.

Let us look back at how this came about. Before the 2000 election, in May of that year, I tabled a motion in the House asking parliamentarians and the government to carry out a review of EI.

In May, Parliament unanimously agreed to reform EI. It was a proud moment for me since Parliament, all political parties and members of this House, had unanimously recognized the need to bring about changes to the employment insurance plan.

Why did the Liberal members support my motion in 2000 after saying during all those years that the employment insurance plan was adequate? They finally realized something was wrong with the employment insurance plan.

Just before the election in 2000, the Liberals introduced Bill C-44 in the House of Commons. They tried to slip one past us in the House of Commons. They wanted Parliament to pass changes unanimously before the election. One of the changes was the increase from 50% to 55% of the benefit rate, and another one was the abolition of the clawback clause, which meant that, after five years people were no longer entitled to employment insurance. It was limited to 30% and the amount was raised from \$39,000 to \$48,000. Those were the two changes.

One hon. member: And they controlled the rate.

Supply

Mr. Yvon Godin: As my Bloc Québécois colleague is pointing out, they also controlled the rate. But that happened later on. I do not think it was in that bill then. But they did take control of the rate and the amount a long time ago.

In 2001, we had Bill C-2. I kept telling the Liberals more amendments should be introduced so that Bill C-2 would go even further.

I remind the House that members—who should remain nameless—had made promises throughout Quebec during the election campaign. They kept saying that more changes were coming. In the House of Commons, these same members said, “Do not move any more amendments. We need Bill C-2. People are struggling, and they need this piece of legislation. Bill C-2 should be passed right away.”

We went along and passed Bill C-2. I have always said in the House of Commons that I would support any bill that brings something positive for workers. I have kept my word until now, and I intend to do the same in the future.

Yet, at the same time, the Liberals promised to strike an all-party parliamentary committee to make recommendations to the government. Its unanimous report was entitled “Beyond Bill C-2”, and it contained 17 recommendations that had the support of all political parties.

Since no election was in the offing, the Liberal government forgot to make these changes. It just forgot. It ignored our recommendations.

Time goes on and people are still struggling. In southeastern New Brunswick, 1,500 people are under investigation and could be accused of “banking hours”, as it is called.

•(1335)

Well, it was a Liberal riding so a solution had to be found the solution. I would like to say to the people listening in from southeastern New Brunswick that the solution offered by the minister cannot be found in writing. With regard to the promise he made to you, I would be somewhat apprehensive if I were you, because you just might get a bill in the mail after the election.

I can say that we saw the same problem in my riding. There were 11 people in the same situation. Those eleven got caught with extra hours. However, it would seem that people have reached an agreement in Beauséjour—Petitcodiac, whereby they are released from their payback obligation, given that the employer will be made to pay. The government, on the other hand, is not sure that the employer will pay.

I am asking the government to state in writing whether employees will be made to pay or not. I can tell you that I asked twice in the House of Commons if people in the southeast of the province would be treated the same way as those in the northeast. The answer was yes.

Yet I can tell the House that this week Michel Guérette, a worker in my riding, got a bill from Human Resources Canada indicating that he owes \$4,823 because he banked hours. This is the case that was taken to the Bathurst office, and do you know what the response was? In Beauséjour—Petitcodiac 1,500 people broke the law, and

this affects the entire community. In Acadie—Bathurst, there are only 11, and they are spread around a number of different places, which is why they are being made to pay, and the others are not.

The message from the Government of Canada is this: “If you want to break the law, then do so along with 1,500 or 2,000 other people and you will get away with it”. Is that what the government is telling people? I find it deplorable that the minister has stood up in this place twice to state that any Canadian anywhere in this country would be treated the same way in a case like this, and yet today people are getting billed. They are panicking because they do not have the money to pay those bills.

The government recognizes the problem of banking hours. What we will see in the weeks to come is that the government will say that maybe it will take the 14 best weeks so as to try to get rid of the problem it has created in southeastern New Brunswick.

In the meantime, families are hurting. In 2001, even in the southeastern part of the province, in the area of Richibucto or Kent, hundreds and hundreds of people had to pay fines because of the same problem. The government refused to address the problem at the time and still refuses to retroactively reimburse these people for the fines they had to pay.

We now have before the House 17 recommendations. The federal government made two changes in 2000 dealing with EI and a couple of changes to do with parental benefits between 2000 and 2004. Because of the upcoming election, the federal government now wants to buy votes, so it has announced two additional changes. At that pace, it will take 32 years and 8 elections to reform the employment insurance plan.

A few weeks ago, I went to a place near Forestville, in Quebec, where people took to the streets to protest. For the benefit of the member for Chicoutimi—Le Fjord, it was not the CLC, but rather workers, businesspeople and even the priest who were protesting, asking the federal government to stop stealing money from the workers. This is no longer a political issue, it is a human issue. People are hurting.

The rest of Canada needs to understand that the people who work in the forest or lumber industry are seasonal workers. Consumers are quite happy to buy fish and 2x4s. What we are saying is that we will stay in our region. We have no intention of moving to central Canada. We have no intention of moving to Calgary with the Conservatives who, every time they rise in this House, try to reduce EI premiums and put more money back into the pockets of the employers, but not the workers. They should be ashamed.

Supply

• (1340)

Hopefully the election will take place soon and Canadians will remember what the Liberals did. They drove families out of the regions. I get calls to my office from women who tell me they want to commit suicide. You should know that the suicide rate in the Acadian peninsula has gone up as a result of the changes to employment insurance. You should know also that when it was in the opposition, that party, through Doug Young and Jean Chrétien, said that we had to deal with the economy. In this respect, if you do not want people to be on EI, create an economy that works. Put people back to work instead of forcing them to leave the rural regions to go to major centres. That is what should be done.

I want to express my gratitude for the fact that this motion was moved here in the House of Commons, allowing us to stand up for workers. The CLC has done a good job. The FTQ has done a good job in this respect, and so has the CSN. The trade unions have represented workers while the federal government has stolen their money. That is regrettable.

• (1345)

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I will give the member the time to slow down because I noticed that he is losing his voice.

I am wondering if the member remembers the same things as I do. He talked about the economy. He said it has not improved. I wonder where he gets his numbers because, when we were in the opposition, before we came to power in 1993, the deficit was \$42 billion, if I recall. I remember very high interest rates. I also remember that there was a lot of unemployment then. Moreover, I remember rates of premiums paid in part by workers, may I add, that went as high as \$3.30 then and that today are \$1.90, under \$2, which is a two-third reduction. I remember that the unemployment rate has gone down considerably since that time. There are now over 2 million more Canadians who have jobs. I am not talking about the jobs lost in the meantime. That is a net gain of 2 million jobs that have been created since that time.

I am wondering—I know that time is of the essence—if it would not have been more reasonable for the member to also mention those numbers in his speech. Has the member forgotten to mention, for instance, that some of the changes made to the EI plan have benefited part-time workers and women? He mentioned women and seasonal workers. I am told that over 400,000 people working part-time or in short-term jobs have received benefits for the first time as a result of certain changes to the program.

Of course, our new minister, whom I congratulate, keeps on improving the system. He does not do it because an election may be called in a few days—I don't know when—but in 1996, we made improvements. We have reduced premiums every year. We do not have an election every year though.

These are all things that have been improved by the Liberal government that works every day, as we all know, for the welfare of all Canadians. Why has the hon. member opposite forgotten to mention all the good things the government has done? Someone said, a few minutes ago—and the members are invited to comment as well—that in some regions there are fewer people receiving benefits, for example in Quebec.

Yes, but people are employed. People who work do not receive employment insurance. That does not happen in my riding, nor in Stormont—Dundas—Charlottenburgh, represented so well in the House of Commons by the Deputy Speaker. We want jobs for the people, and employment insurance for those who do not have jobs.

Finally, I will ask the hon. member for his comments. I know that some people have mentioned a report by the Canadian Labour Congress. Some claim, and the member himself said so during questions, that only 38% of the unemployed receive benefits. That total includes those who have never paid premiums. We must be objective enough to admit that these figures are not truthful, since they include elements that have nothing to do with the concept of employment insurance. We all know that.

This is a member who is usually completely objective—at least he is on the committee where we both sit—so why is it that, on the floor of the House, he has forgotten to mention those things? I do not understand. I invite you, Mr. Speaker, to ask the hon. member to explain himself.

The same report from the Canadian Labour Council includes former employees who are self-employed, as well as students. People who are not even available for work can certainly not receive benefits. It is not reasonable.

• (1350)

The member for Abitibi—Baie-James—Nunavik, who has done so much work on the issue that he has become a real employment insurance expert in the House of Commons, may want to get into all the great things the government has done, and all the work the current minister has put into building on the progress made in recent years.

Why is it that the member opposite and others do not mention these things? I do not get it. Why does the member not answer the questions I am putting to him right now? I could ask more questions.

The Deputy Speaker: Let us start with the ones that have already been asked.

The hon. member for Acadie—Bathurst.

Mr. Yvon Godin: Mr. Speaker, it is a good thing that his question was not designed to eat up my speaking time, making it impossible for me to respond. He has done a good job on that, I can tell you.

First, let us look at the premiums. The member proudly indicated that premiums have been reduced every year. I can tell the House that I have not seen a single worker take to the streets asking for lower premiums, but I did see employers talking to the government, to lobbyists, about it. The Conservatives have asked that premiums be reduced, and so they were, as requested by the Conservatives, because, as far as I am concerned, Liberals and Conservatives are one and the same. That is what happened.

The hon. member does not know what is going on outside this House, in his riding or elsewhere across the country. With the changes it has introduced—the 910 hours of work requirement to qualify for benefits, for example—the federal government has disqualified part time workers. These workers can no longer collect employment insurance. That is the reality.

As for the economy, as he was saying, he should come explain that to the people in my riding. We have never been further in the hole than since the Liberals have been in power. We have problems with fisheries closures. If there was job creation, then it occurred in central Canada and in Calgary. However, I can guarantee that workers at home are willing. They get up in the morning to work. I can guarantee it.

We know where the economic problem is and we know where the federal government focuses its efforts. It focuses on central Canada or elsewhere, but I guarantee it does nothing for the rural areas. The member for Abitibi—Baie-James—Nunavik, who was here earlier, has told me many times that the northern regions are not receiving their fair share.

Let me add on more thing in response to the member's question about where we were. Where were the Liberals who fully agreed with us at the parliamentary committee? The members unanimously agreed that changes needed to be made to employment insurance. Even the human resources parliamentary secretary was with us and she also signed the recommendation. Everyone, including the Liberals, agreed that employment insurance was hurting the workers.

Where were the Liberals in the House of Commons when 15 changes to employment insurance were requested? Almost all the people from eastern Canada voted for the changes tabled in the House of Commons, people from Cape Breton, Nova Scotia or Îles-de-la-Madeleine.

At his first meeting as member of the parliamentary committee, the member for Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok made a heartfelt appeal to the minister so that she would make changes, because people in his riding were affected. Where are these Liberals? They know about the problem.

Why are people from the Gaspé Peninsula or Quebec's North Shore forced to take to the streets? Where is the member opposite who is asking me these questions? I think that he has stayed in Ottawa too long. He has not visited Canada. He does not know about Canada. That is the problem.

Today, even unions agreed on the fact that we should take this fund away from the Liberals because they keep dipping in it. Workers felt the same way.

I do know what I am talking about.

•(1355)

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I have a very brief question for my colleague.

Why does the current Liberal government refuse to have a vote on this motion, when its own members took part in the work that led to a unanimous report? Why is it that, today, the Liberal government even refuses to vote on this motion? Does it make sense that it

refuses to vote on the unanimous proposal of the Standing Committee on Human Resources Development, when it would lead us to believe that it wants changes to employment insurance? Is this not a telling sign that there is indeed a democratic deficit?

Mr. Yvon Godin: Mr. Speaker, I think it is because the Liberals need to make two changes per election to get elected and to buy votes. If they make all the changes today, come the next election they will not have any changes to make to buy the votes of the poor workers who lost their jobs and who were robbed by the federal government. This is what the Liberals have done in recent years.

Let us not forget that it will take eight elections to implement the 17 recommendations made by the parliamentary committee and agreed to by all the political parties. This is the only answer I can provide.

Otherwise, the employment insurance fund would have to revert to what it was and the benefits would have to return to where they belong. This is the real measure to take. It is called job creation. In the meantime, we should be able to give to these people what belongs to them. This is what should be done.

Back home, we call it putting the cart before the horse, and this is what the Liberals have done. But it is not a cart that they put before the horse, it is a carrot and they wanted to eat it. That carrot was the money with which they eliminated their deficit and balanced their budget, at the expense of workers.

The current Prime Minister said in the House: "I put that money to good use. I transferred money to the provinces. I invested some in health care." Workers do not contribute to the EI fund just to balance the government's budget or to transfer money to the provinces. They contribute in case they need benefits.

The hon. member for Madawaska—Restigouche supported the recommendations because he knows what is going on in New Brunswick, and the problems associated with seasonal jobs. I am proud that he stood up in the House and supported these motions. The hon. member for Beauséjour—Petitcodiac voted in favour of 15 changes to the EI plan, but when a motion was introduced in the House to recognize seasonal workers, he voted against it.

What the Liberals did in recent years is a shame. They used the elections, and they used the EI fund to balance their budget and to buy votes. It is a shame. I am sure the electors that are listening now and all Canadians will see through this scheme that has been going on for all those years.

STATEMENTS BY MEMBERS

[Translation]

MAKIVIK CORPORATION

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, the federal government has announced a five-year moratorium on import duties for oil drilling platforms, in order to help the east coast region.

S. O. 31

I rise today to encourage the government, and in particular the Secretary of State for Financial Institutions, to immediately extend this program to the eastern Arctic, in order to help that region develop its economy and thus improve the future for people in the communities of Nunavik and Nunavut.

The Makivik Corporation was a key partner in the historic importation of the *MV Umiavut*, the first and only Inuit-owned class 1 ship. The partners have asked for the duty they paid on this ship to be reimbursed.

Purchasing and importing the *MV Umiavut* represents a major step toward greater economic and political self-sufficiency for the north.

By immediately announcing a retroactive moratorium on taxation for vessels operating in northern waters, including the Makivik Corporation's *MV Umiavut*, the government will show that it wants its economic development policy to be fair and equitable in the north.

* * *

[*English*]

EDMONTON—SHERWOOD PARK

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, these days a number of our colleagues are giving their final farewells because they are not running again, but I am still ready for the fight. I am running again and will be working hard to win the new riding of Edmonton—Sherwood Park.

I believe that the work of reforming Parliament cannot be left to this Liberal crew. They use the words, but the words have no meaning. I am truly interested in making MPs more accountable to the citizens we represent, in reducing waste and mismanagement in government, in getting rid of corruption and unaccountability in fiscal management, and in having laws that protect law-abiding citizens and our innocent children.

I have been frustrated in the past 10 years watching this bumbling Liberal government go nowhere on these important issues. It is time for change. It is time Canadians get an honest and trustworthy government. It is time we demand better.

* * *

● (1400)

[*Translation*]

ELIZABETH FRY WEEK

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, this week we are celebrating National Elizabeth Fry Week. All the Elizabeth Fry societies in the country will be organizing activities to raise public awareness about the situation of women in conflict with the law.

[*English*]

National Elizabeth Fry Week is held in the week preceding Mother's Day as most women in prison are mothers and most were their family's sole supporter before incarceration. When mothers are sentenced to prison, children are sentenced to separation.

By focusing on women's needs and alternatives to prison, Elizabeth Fry Societies encourage community responses to address

criminal justice matters and build support for community based options for women.

[*Translation*]

Congratulations to all the Elizabeth Fry societies across the country for organizing this week.

* * *

[*English*]

LUPUS

Mr. Paul Harold Macklin (Northumberland, Lib.): Mr. Speaker, I lost a dear friend to lupus, a disease that attacks the body's immune system.

My friend was not alone, since more than five million people worldwide suffer the effects of this disease and each year over a hundred thousand men, women and children are newly diagnosed with lupus.

Many physicians worldwide are unaware of the symptoms and the health effects of lupus. As a result, many people suffer for years before they obtain a correct diagnosis and medical treatment. There is an urgent need to increase awareness and educate our communities worldwide about the debilitating impact of lupus.

Therefore, let us resolve that the World Health Organization recognize and declare May 10, 2004, as World Lupus Day and that we call for increased funding for medical research and education on this significant public health issue.

* * *

ROAD SAFETY

Hon. Gurbax Malhi (Bramalea—Gore—Malton—Springdale, Lib.): Mr. Speaker, the number of traffic accidents within the Brampton area has reached an average in excess of eight per day. This totals a staggering number exceeding 3,000 accidents annually. This has led to safety advocates in the region seeking the advice of the local residents to find ways and means to better the safety of our roads.

I believe this is a serious issue that requires federal, provincial and municipal governments working in tandem to bring about tangible results.

Last month, the World Health Organization identified road safety as the focal point of World Health Day. This stems from the fact that 1.2 million people are killed worldwide as a result of traffic accidents and 50 million more are injured annually. Moreover, approximately three-quarters of accidents occur in clear weather conditions.

CROWFOOT

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, given that this may be one of the last opportunities I have to rise in the House during this Parliament to make a statement, today I would like to say thanks and farewell to a very significant part of my riding.

It is with a very heavy heart that I bid adieu to the County of Flagstaff and the Municipal Districts of Wainwright and Provost. Unfortunately, due to the electoral boundary changes, after the election I will no longer represent the good people of: Sedgewick, Daysland, Forestburg, Killam, Loughheed, Strome, Alliance, Provost, Hardisty, Hughenden, Heisler, Chauvin, Edgerton, Wainwright, Daysland, Irma, and Amisk.

Fortunately for me, however, over the last four years I have traveled extensively into these parts of Crowfoot and I have had the privilege of meeting many fine people. It has been a real pleasure to attend or participate in so many events and celebrations in these truly rural Alberta communities.

To the County of Flagstaff and the Municipal Districts of Wainwright and Provost, I say thanks for making my first term as the member of Parliament for Crowfoot such a memorable one.

* * *

SIKH COMMUNITY

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, Guru Granth Sahib, the Sikh scripture, is a compilation of the divine revelations to the Sikh gurus and saints of other faiths, reaffirming the fundamental unity of all religions. The Sikh scripture embodies the universal message of truth, compassion, peace, equality and service toward all humankind.

The fifth guru of the Sikhs, Guru Arjan, compiled and consecrated the Sikh scripture, giving self-determination to the Sikh community that originated the Sikh homeland of the Punjab.

Sikhs have been part of our Canadian society since 1899. They are a very vibrant community and they contribute significantly to the economic, social and cultural well-being of our country and its citizens.

As this year marks the 400th anniversary of the first installation of the Guru Granth Sahib, I would like to congratulate the Sikh community in my riding and across Canada.

* * *

• (1405)

[Translation]

NATIONAL MENTAL HEALTH WEEK

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the purpose of National Mental Health Week, from May 3 to 9, is to remind us of the importance of helping our fellow citizens detect the early signs of distress or mental illness and to provide them with the tools they need to deal with such crises.

In order to help these people, Quebec has strengthened front-line care, particularly by establishing family medicine groups and local service networks. These approaches facilitate better case management and continuity of care for people affected by mental illness.

S. O. 31

This week is also an opportunity to express our appreciation of all those who contribute to the well-being of persons affected by mental illness and their friends and families.

Our sincere thanks go to the employees of the health and social services network, as well as to the volunteers and community organizations that offer support, assistance and advocacy.

* * *

[English]

MEMBER FOR VANCOUVER—KINGSWAY

Hon. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, today I would like to pay tribute to my dear friend and colleague, the member for Vancouver—Kingsway.

As a community activist, she served as an executive member, sitting on the board of directors with over 30 arts, business and community organizations. Her work has not gone unrecognized here or in her community. She has been the recipient of many community and government awards, including the Order of Canada in 1994.

In 1997, she was the first Asian woman to be elected a member of Parliament in Canada. Since her election, economic issues, immigration, western alienation, human rights, and justice for all are but a few of the issues she has raised as a tireless advocate for her constituents, for her community and, on the international level, for Canada.

The people of Vancouver—Kingsway, her community and her Liberal colleagues are proud of her accomplishments and the invaluable role she has played during her seven years as a member of Parliament. Her presence will be missed and her contribution never forgotten.

Zhu Ni Cheng Gong. We wish her success in all her future endeavours and a good retirement.

* * *

OLDS COLLEGE

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, I would like to pay tribute to Olds College in my riding of Wild Rose, which is celebrating its 91st anniversary as a teaching institution.

Over the years the college has watched the agribusiness industry grow dramatically, and this year it is more concerned than ever about the future. To this end, the college encouraged its students to participate directly in the USDA public comment period regarding the border closure and our livestock trade with the United States.

Every member of Parliament received their formal submission this week. The college took an innovative approach by collecting impact statements from 30 of their students across Canada and compiled them as a CD-based video and a webcast that is accessible through the college's home page.

The impact of their submission has been tremendous. I would encourage every member of Parliament to take a moment to view these heartfelt messages.

S. O. 31

Those students know that if we do not do everything possible to get the border open soon, there may be no future for them in agribusiness in Canada.

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[*Translation*]

MENTAL HEALTH

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, Sunday, April 18, was the Fondation Pierre-Janet's fifth edition of the "En espadrilles pour la santé mentale" event.

This annual event held at the Aylmer race track raises funds to help people with mental health problems. Nearly 1,000 sponsored participants ran laps around the track each at their own pace. The fundraiser brought in \$65,210 to implement telemedicine for mental health in the Outaouais.

Mental illness, and depression in particular, is a growing concern. Hence the need to demystify it now, to eradicate the stigma attached to it and to improve access to quality services.

I want to congratulate everyone who took part, the dedicated volunteers, the honorary president of the 2004 event, Alain Raymond, and particularly the president of the Fondation Pierre-Janet, who instigated the event, Dan Gay, as well as the foundation's board of directors.

Mission accomplished, job well done.

* * *

[*English*]

MENTAL HEALTH WEEK

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, this week, May 3 to May 9, is National Mental Health Week in Canada.

Good mental health is essential to everyone's well-being and to the strength of our communities. Too often, people suffering from mental illness and other brain disorders are discriminated against and stigmatized. We have to work together to find better means to decrease the stigma associated with mental illness so that it becomes as easy and acceptable to speak about as any other disease.

For that to happen, we need to start providing stable, long term funding to mental health care and its research and treatment. I was very disappointed that there was no mention of mental health in the recent budget presented by the government even though programs all over the country are facing cuts.

For the one in five Canadians affected by mental illness, and for their friends and families, this is truly a public mental health emergency.

* * *

● (1410)

[*Translation*]

HEARING AWARENESS MONTH

Ms. Caroline St-Hilaire (Longueuil, BQ): Mr. Speaker, every year in May, I make a point of drawing attention to Hearing Awareness Month and the fact that, in Canada, some 3 million

people, including more than 750,000 in Quebec, have a hearing problem.

As parliamentarians, it is critically important that we make sure that the deaf and the hearing impaired have equal rights when it comes to communications.

In this respect, captioning of television programs is essential, and I would like to acknowledge the great work done by the Centre de recherche informatique de Montréal, which has developed an automatic speech recognition system.

This technological advance which will provide real time transmission of information was recently introduced to both houses of Parliament and would allow, among other things, the captioning of proceedings in the House of Commons in French; at present, captioning is only available in English and only during oral question period.

The technology is there. All we need now is the political will to make it accessible as quickly as possible, not only to Parliament but also to all broadcasters.

* * *

RAI INTERNATIONAL

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, in August 2003, a petition with 100,000 signatures and over 330 letters were sent to the CRTC by Canadians, including some from my riding, asking to have access to the Italian television network RAI International.

Today, I wish to reaffirm my support to these citizens, particularly the members of the Italian community, who hope that the CRTC will approve the application filed on September 15 by RAI International. A CRTC licence would give them 24 hours a day access to this network, which is broadcast in most countries of the world, but not in Canada.

I would also like to mention the work of the hon. member for Saint-Léonard—Saint-Michel and of several Liberal colleagues who, from the outset, supported and continue to support the initiative of these Canadians of Italian origin, who are demanding to have access to RAI International.

* * *

[*English*]

NIGERIA

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, five years ago the governor of the northern Nigerian province of Zamfara declared his province an Islamic state and began the introduction of an extreme version of Sharia law, contrary to the Nigerian constitution.

In the following months, Governor Sani destroyed or shut down several Christian churches and has gone so far as to sentence women to death by stoning for engaging in extramarital sex.

*Oral Questions***ORAL QUESTION PERIOD**

● (1415)

[English]

The Nigerian constitution states that every person shall be entitled to freedom of thought, conscience and religion, much to its credit. Yet last week Governor Sani ordered the demolition of all churches and non-Islamic worship centres and launched phase two of his extreme agenda.

I would ask all my colleagues in the House to join me in condemning this blatant persecution of people of faith and the destruction of houses of worship in Nigeria. Canada must use whatever influence it has with Nigeria and other African countries to demand an end to these abominable crimes against freedom of religion and conscience.

* * *

BURLINGTON CITIZEN OF THE YEAR

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, tonight my community of Burlington, Ontario will honour one of its greatest champions and supporters as Citizen of the Year.

Keith Strong has had many accomplishments during his very successful business career, but it is the work he has done to build our community that distinguishes him.

A past president of the Burlington Economic Development Corporation, Keith has been instrumental in bringing people together to improve our fellow citizens' quality of life in a variety of ways.

For instance, together with Dorothy Borovich, he helped develop Youthfest. Now in its second year, Youthfest is a local festival promoting volunteerism, philanthropy and fun among Burlington's youth. It features diverse community organizations and encourages people to do more.

Keith Strong's dedication to his community has enriched all of its fellow citizens. I wish to express thanks to Keith Strong as well as congratulations to him on being named Burlington's Citizen of the Year.

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[Translation]

PALLIATIVE CARE WEEK

Ms. Yolande Thibeault (Saint-Lambert, Lib.): Mr. Speaker, this week is Palliative Care Week.

With an ageing population, the need for palliative care will increase dramatically. It is therefore critical to pay special attention to this need, so as to provide to the sick a constant presence in the journey toward the end of their lives, and to allow close ones to get the necessary support during this difficult time.

I want to congratulate the Government of Canada for taking compassionate action regarding this issue by offering eligible workers six weeks of paid leave to care for a parent, a spouse or a child who is seriously ill or dying.

Thanks to the compassionate family care benefits, terminally ill patients will be able to live in dignity and be accompanied by their close ones to the end.

VETERANS AFFAIRS

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, many D-Day veterans are upset that they will not be able to attend the celebrations in Normandy. Only 60 veterans are being taken by the government, yet the government has the money to take over 70 government support staff.

I wonder if the Prime Minister would reconsider and take all the veterans who want to go to Normandy.

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the Minister of Veterans Affairs is already looking into ways in which we can augment the number and improve the situation. Obviously, that is a matter which the government takes very seriously.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, time is running out. Let me impress upon the Prime Minister what one D-Day veteran, Bruce Melanson, had to say:

What we got today and this scandal of monies being thrown around...why don't they throw a little bit at us, at the veterans?

This ceremony is to celebrate history but in this case we have living history. Does the Prime Minister not agree that sending our veterans to Normandy is a small price to pay for the service they have given this country?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I very much share the views that have been expressed. There is no doubt of the tremendous debt succeeding generations owe to the veterans of all our great wars. The fact is that I saw Mr. Melanson on television last night and he makes a very strong case.

We, as Canadians, owe a tremendous debt to those who gave their lives and those who fought for us, and the government certainly intends to recognize that. That is what, in fact, June 6 is all about.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, I am going to continue to press the Prime Minister for a very clear commitment.

With the half a million dollars that he spent on all his various pre-election trips on the Challengers, we could have sent 60 additional veterans to Normandy. This is not a matter of money. It is a matter of priorities. This is not supposed to be a photo op for politicians. It is supposed to be to honour what the veterans achieved.

Will the Prime Minister do the right thing and commit the government to paying for any veteran who is willing and able to attend the ceremonies?

Oral Questions

Hon. John McCallum (Minister of Veterans Affairs, Lib.): Mr. Speaker, as the minister for the department whose sole preoccupation is the well-being of veterans, and as one whose father was a second world war veteran, I sympathize very much with the situation.

However, following past practices and the practices of our allies, we invite the 60 regiments or military associations that were involved in D-Day to nominate their own representatives. Those people, along with the attendants, will be in the official delegation.

* * *

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC): I guess that is no, Mr. Speaker.

The member for Hillsborough, with the backing of the PMO, seeks to put a stake through the public accounts committee. Today he tabled a motion to wrap up in advance of testimony from over 90 witnesses, making way for a whitewash and a spring election. This smacks of the Somali inquiry with important evidence missing and work not done. A flawed report is worse than no report.

Why has the Prime Minister broken his word by ordering the shutdown of the public accounts committee?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I have not ordered anything at all. The public accounts committee is the master of its own destiny.

However, why do the members of the opposition, who ought to recognize that they are ultimately accountable to the people of Canada, and given the fact that the public accounts committee has now been sitting for quite some time, think that the committee should not prepare a report so that the Canadian people will know what has taken place over the last number of months? What is the opposition afraid of?

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, CPC): Mr. Speaker, because, quite simply, the work is not done and Canadians deserve the whole truth, not this government whitewash.

The exact problem is the absence of responsibility and accountability. It appears there are lots of smoking guns in this issue but nobody wants to identify the shooter. The victim in all this is the Canadian taxpayer. The committee has been deemed a farce by the Prime Minister. The judicial inquiry will not complete its work until December 2005, a full 18 months from now.

Why is the Prime Minister killing the efforts of the public accounts committee to deliver on his promise to the Canadian public to get to—

• (1420)

The Speaker: The hon. parliamentary secretary.

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, let us understand that it was the Liberal members, the government side of the public accounts committee, who pushed the committee to publish the Guité report. It was the government members who pushed to have Mr. Quail back. The government members called the

key witnesses, like the Auditor General, to define things clearly, like she did today.

The fact is that the government has done an excellent job on ensuring that we have the inquiry go and the RCMP go. Now it is time for the researchers to do their synopsis.

* * *

[Translation]

TAXATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, instead of assuming his responsibilities for health care funding, the Prime Minister is suggesting that Quebec collect more taxes. This suggestion was categorically rejected by the Quebec finance minister. What Yves Séguin wants instead is to see Ottawa transfer the GST to Quebec.

Does the Prime Minister intend to respond promptly, and favourably, to this request by Yves Séguin, in order to provide better funding for health care services?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, as the health minister and the finance minister have both said on numerous occasions, the reason we asked for a meeting this summer with the premiers is to have a proper discussion on health, health reform, and the required increases in transfer payments.

We realize the provinces are under pressure. We are certainly prepared to sit down with them and to help them out.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, there have been reports, including the Romanow and Clair reports. Now the Liberal Minister of Finance of Quebec, Yves Séguin, is calling for the federal government to get its act together, reach a decision, act now, and transfer the GST so that patients can receive care immediately, rather than engage in a long process of meetings, sitting down and talking about how well they understand Canadians and Quebecers. The Prime Minister is being asked to take action, and for once in his life, to make a decision.

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I know Yves Séguin very well. He is the Minister of Finance of Quebec, and he is stuck with the financial difficulties that are the real legacy of the PQ government. He has problems because he has inherited them from the PQ.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would advise the Prime Minister to read the Séguin report. He will then understand why Quebec has problems.

The nonsensical thing about this debate on taxation is that in his letter in response to the National Assembly's unanimous resolution on the fiscal imbalance, the Prime Minister proposed that Quebec raise its taxes to cover its expenses.

How can the Prime Minister act so irresponsibly toward the taxpayers when his own government already collects too much tax, which would explain the surpluses that recur, year after year, in Ottawa?

Oral Questions

Hon. Denis Paradis (Minister of State (Financial Institutions), Lib.): Mr. Speaker, I would simply like to mention some figures, even though this is not the right place for a debate on numbers. For example, the revenue of the provinces last year was \$201 billion, while the federal revenue was \$145 billion. The federal debt was \$510 billion, while that of the provinces was \$289 billion.

As the Prime Minister has said, and as the throne speech indicated, why do we not sit down together and end this bickering? Everywhere we have travelled in the provinces, we hear people say they do not want this bickering. The important thing is to sit down together. The Prime Minister has proposed to the provinces that we sit down to discuss health care and other issues and reach an agreement.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, let us be clear. The federal government already has predicted a \$5 billion surplus for this year, while the provinces predict a \$5 billion deficit for the year. That is strange.

Is that so hard for the Prime Minister to understand? People want their tax dollars to go to the right place, that is, to the services they consider a priority—that is all. Can the Prime Minister understand that?

• (1425)

Hon. Denis Paradis (Minister of State (Financial Institutions), Lib.): Mr. Speaker, these are the same people who, along with their head office in Quebec City, invested \$700 million in Toronto and let it sit, unused, in an account there for who knows how long. When we talk here in the House about equalization, from which Quebec benefits, these are the same people who oppose these bills. The same people.

I will say once again that the Speech from the Throne mentioned the words “cooperation” and “partnership” 14 times, as well as the idea of sitting down with the Liberal government of Quebec and the governments of the other provinces to settle the issues.

Some hon. members: Oh, oh.

The Speaker: Order. I want to assure the hon. members at the far end of the House that there is plenty of room for personal conversations on the other side of the doors. The hon. member for Roberval and the other members around him can continue their discussion with the Minister of State outside the doors.

And now, the hon. member for Winnipeg—Transcona.

* * *

[*English*]

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Hon. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I do not know if there is such a thing as a parliamentary tranquilizer but perhaps some could be administered to those members. My question is for the right hon. Prime Minister.

The Prime Minister likes to talk about stark differences and yet the starkest difference in Canadian politics these days is between what the Liberals say and what they do. One law for the Liberals and one law for the rest of us.

The Prime Minister said he thinks it is urgent that the Liberal majority on the public accounts committee report, before the election presumably. He is not concerned that an independent inquiry will not report until over a year after the expected election.

Why does the Prime Minister think that Canadians should go to the polls with only the Liberal view instead of the independent view?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I would simply remind the parliamentary leader for the NDP that the clerk is independent, KPMG is independent, the forensic accountants who are going to be coming in are independent, and the research branch of the Library of Parliament is independent. They are the ones who will be presenting the facts.

The issue really is, why is the NDP, along with the Alliance, afraid of the facts? Do they not realize that they are accountable to the people of Canada?

After this number of months the people of Canada are entitled to a report from the parliamentary committee which has been sitting. The people of Canada are entitled to know what the committee has found out.

* * *

GASOLINE PRICES

Hon. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, the Prime Minister acts like he has never been on a committee before and does not know anything about the dynamics of how majorities work. Perhaps he has forgotten.

I want to turn to another issue and that is the issue of gas prices in this country. The NDP has put forward the idea of a fair prices review commission for gas. The government has rejected that.

I have another question for the Prime Minister on another matter having to do with fuel. Why is he backing away on his promise to give a share of the gas tax to cities which they could then use for building public and mass transit in this country so that people would not have to pay high prices for gas?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, there is no doubt that the suggestion of transferring part of the gas tax to our municipalities is an excellent one. It is one that really came from this party. The government has said that we want to sit down with the cities and the provinces, and deal with it immediately. We are certainly prepared to do that.

The fact is that lengthy negotiations must take place. Our commitment is that part of the gas tax is going to be transferred to the cities so that they can live up to their very important responsibilities along with all of the other communities in this country.

* * *

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, the Prime Minister initially pledged to leave no stone unturned to get to the bottom of the sponsorship scandal, and we should be able to trust the word of a prime minister.

Oral Questions

First, his Liberal majority blocked production of the Gagliano papers. Then the government blocked release of Privy Council briefings on the sponsorship program. Now it has moved to cut off evidence even though the clerks say there are at least 90 witnesses not yet heard from.

Why has the Prime Minister broken his word to Canadians?

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, let me make it clear. The opposition blocked having Mr. Guité's testimony made public. It tried to stop Mr. Guité from coming here for two days. In fact, it insulted the government by saying that he would never appear, and he did appear. He was a very valuable and key witness.

The opposition also tried to block Mr. Quail from coming to the committee. I am very disappointed that this morning the member even tried to filibuster to stop the Auditor General from being there.

• (1430)

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, Canadians have been watching the committee and they know that is a clear misrepresentation of the facts.

Even though there are plenty of stones unturned, at least 90 unheard witnesses, the Liberals are using their controlling numbers to force through some kind of report for the purposes of a June election.

What does that say about a Prime Minister who breaks his word and cuts off 90 witnesses who could get to the truth about ad scam?

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, the Auditor General said today that she was pleased with the work that the government has put into place: the inquiry, the RCMP, and the forensics.

In fact, she even said very clearly that we need to understand what the responsibilities of a minister are and what the responsibilities of a deputy minister are, and get to the root of the cause. That is exactly what the opposition is trying not to do.

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, here is a motion that I put forward yesterday at the public accounts committee:

That the Committee request copies of any notes taken by the Clerk of the Privy Council during meetings with the Prime Minister pertaining to items raised in Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada—

Every single Liberal member voted against the motion, including three privy councillors.

What is the government trying to hide? What is in those notes that is too damaging to be released? Why is the government trying to keep the truth from us? Why does the government not want Canadians to know the whole truth?

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, I find that surprising from the member opposite who also tried to not have the Auditor General appear and not to have key witnesses appear.

In fact, Dr. Franks said today that the public accounts committee now faces the question of what ought to be the ministerial and deputy ministerial responsibilities and accountabilities of the government to Parliament. That is exactly what we need to be doing on the public accounts committee, not the politicking that those members are trying to put forward in that committee.

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, do we want a cover-up because we want to hear from 90 more witnesses before drawing conclusions?

I have a question directly for the Prime Minister. Why did his committee members vote against a motion to release notes taken by the clerk of the Privy Council of meetings held with him and his predecessor regarding the sponsorship scandal?

Will he, if he does not agree with his committee members, agree to release those notes so Canadians can know what he and his predecessor knew about the scandal and just what they did about it? Will he release those notes?

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, the government and the Prime Minister have allowed the cabinet documents to be released. In fact, we have three and half feet of documents to read. The opposition is not even going through the documents. It is not trying to get down to the root cause.

Various media and people have said that it is time to have the research synopsis of these last number of months and let us get down to the root cause. Let us not delay and delay, and have the politicking that the opposition tries to do all the time.

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Prime Minister had promised that the committee looking into the sponsorship scandal would get to the bottom of that scandal. Now he has changed his mind.

Can the Prime Minister, who made a solemn promise that the committee would get to the bottom of it, explain in all sincerity why the government is now trying to prevent the committee from hearing all the witnesses it needs to hear? If he wants to get to the bottom of things, why is he now changing his mind?

[English]

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, in case my earlier comments were not heard, let me repeat again. The government members have been putting forward the key witnesses to come to the committee and come back to the committee after we have heard various testimony.

The opposition tried to stop the Auditor General this morning. It tried to delay people who are experts in the field of political science.

In fact, today, after hearing Dr. Franks, the opposition was all pleased that we had brought this witness forward who it tried to block.

• (1435)

[Translation]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, they need to face the truth. The government does not want to hear any more witnesses because the Bloc list included Warren Kinsella, a Liberal and an adversary of the Prime Minister, and Jean Chrétien, the former prime minister. We especially wanted to hear from him. That is why they no longer want to hear witnesses.

[English]

Hon. Walt Lastewka (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is very important that the public accounts committee hears key witnesses to get to the root cause.

We have been having these key witnesses come forward despite the fact that the opposition members have tried to stop them. Let me repeat again, we want the Auditor General and Mr. Quail, the deputy minister, to come back.

That is exactly the responsibility of the committee. It is not to politicize everything but to get to the root cause and find what is best for taxpayers and Canadians.

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[Translation]

GASOLINE PRICES

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the problem with the hike in gasoline prices is not the price at the pump, the problem is the refineries. When the profit margin is 6¢, the oil companies make huge profits. Imagine the profits when the margin climbs as high as 17.5¢ a litre. That is three times as much.

Does the Prime Minister not think there is a serious problem when the refineries' profit margins increase threefold from one day to the next, as is currently the case?

[English]

Hon. R. John Efford (Minister of Natural Resources, Lib.): Mr. Speaker, I am fully aware of and understand even more today the impact that the increase in oil is having on Canadians. In fact, the price went up per barrel again today. I am very concerned because the average consumer will pay more, not only for gasoline but, more important, for the heating in their homes.

The hon. members opposite can rest assured that if we find out anything whatsoever from the Competition Bureau, we will take immediate action. I also intend to speak to the provincial organizations in Quebec, P.E.I., and Newfoundland and Labrador to find out exactly what information, if any, they have.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the market is heading

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toward \$1 a litre for gas, which will have a major negative impact on the entire economy. What is the Prime Minister doing about it? Nothing.

Does the Prime Minister realize that by refusing to take action, he is condoning the \$1 litre of gas that we shall soon be facing?

[English]

Hon. R. John Efford (Minister of Natural Resources, Lib.): Mr. Speaker, the hon. member is not correct in saying that we as a government refuse to act. I just stated very clearly how concerned we are as a government for Canadians because of the increase in the price per barrel of oil, over which we have no control.

I have already committed to talk to my colleagues in the provinces. If any concerns come forth from the Competition Bureau through their offices, we will do everything possible.

We are not satisfied to allow this to go on. We must find out first if there are any concerns by the individuals who have the information.

* * *

AGRICULTURE

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, the Prime Minister and the agriculture minister were in Washington last week for the latest photo op. We heard great promises, but have seen zero action.

The USDA has now joined with a few producers in the U.S. to further restrict the flow of Canadian beef. All we get from the government is one step forward and two steps back.

What action has the Prime Minister taken to counter this latest move by the U.S. to stop our beef from flowing?

Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Agri-Food), Lib.): Mr. Speaker, I would like to thank the member for bringing forth the question about the beef issue.

The Prime Minister and the Minister of Agriculture and Agri-Food are very much in favour of working hard to open up the border. They had good meetings last week in Washington. The President of the United States reassured us that he wanted the border open. Secretary Veneman wants to use the science based information.

We are very positive that the border will be open.

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, the only science that the government understands is the science of BS. We need some proof on BSE and some action on that.

Oral Questions

This concession by the USDA has thrown the cattle industry into further turmoil. Cattle are getting harder and harder to market. The market is dysfunctional. The border has been closed for 350 agonizing days. It has been a month since the USDA comment period closed, yet we see no action.

Nothing has been coming forth from the government. The government is losing this battle on the border front and it is losing the cattle industry in this country. The only answer is an open border. Why is that border not open?

• (1440)

Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Agri-Food), Lib.): Mr. Speaker, the only BS in this House is across the floor.

The government has given \$1 billion to Canadian farmers to help them fight this. Not only that, we had high level meetings with the U.S. to open the borders. That is the way it is.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, the crisis among our beef farmers will not begin to be over until the farm incomes return to normal. Some U.S. stock growers do not want our border re-opened.

Why has the Liberal government not protected Canadian beef producers from this latest action by the U.S. department of agriculture to halt expanded beef product exports?

Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Agri-Food), Lib.): Mr. Speaker, the Montana judge's ruling was very disappointing to us. However, we were reassured last week by higher levels in the U.S. government, the President and Secretary Veneman, that they will open up the borders for us in the near future.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, our producers have been waiting 350 days for the border to re-open. How long will it be before Renfrew county beef producers and all Canadian beef producers can move their beef across the border?

Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Agri-Food), Lib.): Mr. Speaker, the hon. member knows we cannot have a definite date when the border will be open. All we can do is keep working on opening up the border and keep bringing financial help to the farming families in this country that are in need.

* * *

HEALTH

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, my question is for the Minister of Health.

The negative effects of trans fats in food are well known, including the devastating potential effect on children. Canada is now making labelling for trans fats mandatory, except for baby food.

Could the Minister of Health explain to this grandpa why warning labels are so important for the rest of us, but not for my grandchildren?

[Translation]

Hon. Pierre Pettigrew (Minister of Health, Minister of Intergovernmental Affairs and Minister responsible for Official

Languages, Lib.): Mr. Speaker, when the new regulations on nutritional labelling were announced in January 2003, they were hailed by stakeholders as the ideal international standard. We are very proud of this achievement, but there is always room for improvement.

I want to thank the Standing Committee on Health for its good work and for indicating that we should consider making additions to these regulations. This is why I asked my department to look at the issues relating to mandatory labelling for trans fats present in baby food.

* * *

GASOLINE PRICES

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, major oil companies are once again protecting their profits by drastically increasing gasoline prices. With this increase, these companies are holding Canadians hostage, but the government does not do anything to reduce this volatility. We all know that the Prime Minister wants to protect his big corporate friends.

However, when will the government protect Canadians from this abuse, and when will it take action to monitor gasoline prices? Will it do so immediately?

[English]

Hon. R. John Efford (Minister of Natural Resources, Lib.): Mr. Speaker, I said in my answer to the last question from my colleague in the Bloc that I am very concerned about the increased price of oil which is passed on to consumers. It went up in the world markets today which is something we have no control over.

I intend to consult with my provincial colleagues who regulate gas in three provinces. I also will talk to the industry stakeholders to get a full understanding of what exactly is happening.

It is having a major impact on consumers and we are very concerned about it. I have committed to doing a follow-up review of it.

* * *

EMPLOYMENT

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I have here an HRDC foreign worker application where the company says it cannot hire Canadian workers because "the cost is too high". On this basis, HRDC allowed foreign nationals from India to come in and dismantle the pulp mill in Gold River, B.C.

My question for the minister is simply this: Has he lost his mind? What in God's name is he doing, giving away the last jobs in town to foreign nationals? Whose side is he on?

• (1445)

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): If I had lost mine, at least I would be able to claim I had one to lose, Mr. Speaker.

I can only assure the hon. member and the House that whenever there is an application, the considerations that come forward are those that reflect on the impact on the local economy, other jobs that may be created, and whether the work can be carried out elsewhere as well. The other thing that happens is that the company must ensure that it is a limited occasion.

* * *

SUPREME COURT OF CANADA

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, instead of reforming the judicial appointments process as he promised, the Prime Minister is only establishing temporary half measures to get him through the next election.

As a result, the appointment process for the next two Supreme Court of Canada justices will have no substantial input from the provinces and zero input from Parliament.

Why is the Prime Minister simply continuing the process of making sure that only he has the real say on Supreme Court appointments?

[Translation]

Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, I find it rather interesting that the hon. member would be so unaware of the rules of this House as to not know that when a committee is preparing a report that report remains unofficial until it is tabled and therefore we cannot comment on it.

I would ask the hon. member to respect the rules of this House.

[English]

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, I am not speaking about the report. I am speaking about the Prime Minister breaking his word. The Prime Minister has had 10 years to do the job, but instead of fixing the democratic deficit as he promised, he is only preoccupied with controlling the levers of power.

Will the Prime Minister stand up and tell Canadians that no future Supreme Court of Canada justice will be chosen without substantive provincial input and without parliamentary review of the nominee?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the hon. member obviously did not listen to the House leader. Surely it is the essence of understanding the parliamentary deficit that one should follow the rules of the House and give the parliamentary committee the opportunity to submit its report.

If one is respectful of parliament, one allows the parliamentary committee to do its job. Why will the hon. member not?

* * *

JUSTICE

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, in a speech on April 16, the Prime Minister misled Canadians when he said that he has restored the influence of members of Parliament through free votes and an increased role in the appointment of senior officials.

A few days ago, the Liberals voted against protecting 14 year olds from sexual exploitation in an obviously whipped vote. Why did the

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Prime Minister not set his MPs free so that they could vote correctly instead of on command?

The Speaker: That question is out of order. The hon. member knows he cannot reflect on votes in the House under the rules and his question sounded to me like a reflection. Perhaps in a supplementary question he will ask something that the deputy House leader could answer.

Mr. Ken Epp (Elk Island, CPC): Mr. Speaker, 38 year old Daniel Sylvester used the Internet to lure a New Brunswick 14 year old to meet and have sex. He walked away free because 14 is the age of consent in Canada. Imagine, an innocent 14 year old being seduced by a 38 year old.

Liberal MPs voted the wrong way on the so-called child protection bill. It does not protect 14 year olds. It fails.

Why is the Prime Minister more interested in keeping his caucus in submission and breaking his 20 day old promise than in protecting innocent children?

Hon. Mauril Bélanger (Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as the chief government whip, I can tell the member opposite that over two-thirds of the votes that we have had in the House since February 2 have been free votes for the members of our caucus. The vote he is referring to was one of those.

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[Translation]

HAITI

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, the Prime Minister keeps promising that Canada's involvement in the reconstruction of Haiti will not be only for the short term. According to the experts, successful reconstruction requires security and disarmament. Yet on Tuesday the Minister of National Defence said that Canadian troops will be leaving Haiti after August 31.

Can the Prime Minister tell us whether or not Haiti can count on Canada as part of the UN mission it so badly needs?

● (1450)

Hon. Bill Graham (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Prime Minister has always been very clear about Canada's commitment to Haiti. Canada was there in the 1990s. There is a Canadian troop presence there now. We have extended our troop commitment in Haiti. We are committed to Haiti. We have promised aid for its reconstruction. We are totally committed to the reconstruction of that country, which we consider a very important ally in the Americas and we are a partner it can count on.

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Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, the situation in Haiti is catastrophic and the peace is very tenuous. International assistance is slow in coming, even if Canada has just announced a contribution of close to \$2 million. There is a considerable risk of that aid not being able to achieve its objective, if troops are not there to ensure disarmament and security. The Prime Minister has acknowledged the particular responsibility Quebec and Canada have to Haiti.

Does the government commit to bringing pressure to bear on the international community to ensure that it provides the long-term aid promised to Kofi Annan?

Hon. Bill Graham (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Minister for International Cooperation, the President of the Treasury Board and myself are about to leave for Haiti. We will be meeting with our Caribbean partners this very evening.

Tomorrow we will be in Haiti to meet the Prime Minister and others. The Minister for International Cooperation wants to find out everything that Canada can do. We have clear instructions from the Prime Minister that Canada has a commitment to Haiti. We are going to do our best to accomplish what Canadians want to see done, namely getting Haiti back on the right path in the Americas.

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[English]

CAMPOBELLO ISLAND

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, Campobello Island is unlike any other part of Canada. It can only be accessed by driving through the United States. There is no permanent ferry service. This creates problems. The unusual and routine stoppage of goods and services to the island creates problems.

I ask the minister, why is there no long term plan to deal with this? In the absence of that long term plan, I did submit one, but the minister has refused to follow up on it. Why?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I have followed up on this. When I had the opportunity to visit with Secretary for Homeland Security Tom Ridge, he and I talked about that particular situation and others. On both sides of the border, we are very aware of the unique situation this presents.

I thank the hon. member for raising this issue. I thank him for writing to me about this issue. I want to reassure the hon. member we are very much working with our American counterparts to deal with what I acknowledge is a very practical problem.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, why not a practical solution? Rubbing shoulders with Tom Ridge at a cocktail party just does not cut it.

What we are talking about is a long term solution, a plan. The government does not have a plan. Why has the minister refused to let her officials meet with me to discuss my plan, which is supported locally both by the Americans and the Canadians? Why no commitment by the minister?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker,

first, I would like to clarify the record and make sure everybody understands that my discussion with Tom Ridge, Secretary of Homeland Security, did not take place at a cocktail party. It took place at a formal meeting.

Beyond that, let me reassure the hon. member that I am more than happy to have him sit down with my officials and members of my staff. In fact I have talked to the hon. member directly about this. We take his suggestions seriously. We understand it is a serious problem. If the hon. member wants to meet with my officials, I would be happy to facilitate such a meeting.

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GASOLINE PRICES

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, my question is for the Minister of Industry.

My constituents also are alarmed about the rising price of gas. Unpredictable and rising costs put a strain on everyone's budget. I know price control is a provincial matter. I know that most of the federal tax on gas is fixed so that it does not increase with the price.

Canada is an oil-rich nation. Surely there is something the federal government could do to ensure gasoline remains affordable for consumers in Peterborough and across Canada.

•(1455)

[Translation]

Hon. Lucienne Robillard (Minister of Industry and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, Lib.): Mr. Speaker, I think all Canadians and all members of Parliament are concerned about the sudden rise in the price of gasoline and its impact on our economy today.

I can tell my hon. colleague that the government is making sure that it provides consumers with complete information on the price-setting mechanisms. In addition, we are ensuring that retail prices are really determined by market forces and not by anti-competitive practices.

Under the Competition Act, consumers can file complaints and investigations can be carried out to prove there is no collusion in the—

The Speaker: The hon. member for Saint John.

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[English]

VETERANS AFFAIRS

Mrs. Elsie Wayne (Saint John, CPC): Mr. Speaker, this week the Minister of Veterans Affairs announced a package to help some military veterans, yet the government continues to ignore the war veterans of the second world war and the Korean war. It continues to deny access to the VIP for some veterans' widows. It continues to deny Korean war veterans who were exposed to toxic chemicals.

*Oral Questions***PUBLIC SAFETY**

Why is the government so heartless when it comes to protecting its aging veterans and their families?

Hon. John McCallum (Minister of Veterans Affairs, Lib.): Mr. Speaker, not only did we recently arrange payments for those who suffer from chemical testing, but this week I announced the most fundamental reform of veterans programs since the second world war.

No longer will we focus on paying people when they are sick, but we will have a whole battery of programs to help these people to become well and to become normal, functioning members of Canadian society. The government is very proud of that move.

Mrs. Elsie Wayne (Saint John, CPC): Mr. Speaker, it took those who were subjected to mustard gas 50 years to finally get recognition and some help.

The minister's recent announcement does little for those veterans with the greatest needs. The minister continues to deny access to the Korean war vets exposed to toxic chemicals while in the field of duty. Those Korean war soldiers were routinely doused with DDT and kerosene. They were exposed through direct spray and fumigating of their bunkers, their clothes and their sleeping kits. See if anyone would like to have that done.

When it comes to our Korean war vets—

The Speaker: The hon. Minister of Veterans Affairs.

Hon. John McCallum (Minister of Veterans Affairs, Lib.): Mr. Speaker, I do take that matter very seriously. It is under review.

Returning to the first question of the House with regard to D-Day, we have received representations from veterans and veterans organizations. In view of the government's real admiration and gratitude to D-Day veterans, it will look into means by which it might help those veterans who wish to return to Normandy.

We will have an answer within a matter of some days.

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[*Translation*]

HIGHWAY INFRASTRUCTURE

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, the federal government is sharing in the construction costs for highway 175, and that is fine; it is another victory for the Bloc, but is it really necessary to announce it twice?

Instead of repeating the announcements made by his predecessor, simply warming up old leftovers, could the Prime Minister not announce his plans for highways 30, 50 and 185 instead? The unkept promises on these roads, need we remind the House, date from the last election campaign.

[*English*]

Hon. Andy Scott (Minister of State (Infrastructure), Lib.): Mr. Speaker, I am very proud of the relationship that we have with the government of the province of Quebec. It has done good things with the infrastructure program, and will continue to do that.

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, this is Emergency Preparedness Week. Over the past year, all Canadians have seen firsthand what it means when we have natural disasters like fires and hurricanes. We have experienced the threat posed by infectious diseases such as SARS.

Could the Minister of Public Safety and Emergency Preparedness tell the House what steps the government has taken to secure the safety and health of all citizens and enhance preparedness for such events?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the hon. member is right. This is Emergency Preparedness Week and it is an opportunity for all of us, governments, individuals and communities, to take stock of our preparedness for emergencies.

For its part, the government has done a great deal over these past numbers of months. We have created a new Department of Public Safety and Emergency Preparedness to better coordinate our activities, both within the government and with partners such as the provinces and local governments.

We are in the process of creating a new government operations centre to provide round the clock support in emergencies.

We are committing some \$105 million in new money for the national security policy for emergency planning.

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● (1500)

[*Translation*]

GENETICALLY MODIFIED ORGANISMS

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, a coalition against GMOs has just launched a campaign to send slices of bread to the Prime Minister through the mail to voice its opposition to genetically modified wheat in Canada. The marketing of GM wheat could not only have an impact on consumers' health but also cause wheat producers to lose a substantial market share.

Will the Prime Minister take this opportunity the coalition is giving him to prohibit the approval of GM wheat in Canada and make GMO labelling mandatory?

[*English*]

Hon. Mark Eyking (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Agri-Food), Lib.): Mr. Speaker, we have to take a very balanced approach in dealing with GMO products in the country. Not only do we need to worry about what people are consuming, but we also have to worry about how farmers will compete with other places in the world.

We have to take a balanced approach, and we are looking into this matter.

Supply

[Translation]

Mr. Yvon Godin: I rise on a point of order, Mr. Speaker. Responding to a question of mine during oral question period, the Minister of Natural Resources referred to me as a member of the Bloc Québécois. I just wanted to set the record straight; I am a proud member of the NDP.

The Speaker: I am sure that the whole House greatly appreciates this clarification by the hon. member for Acadie—Bathurst.

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[English]

BUSINESS OF THE HOUSE

Mr. John Reynolds (West Vancouver—Sunshine Coast, CPC): Mr. Speaker, I would like to ask the government House leader if he could advise the House as to what the business is for the rest of today, tomorrow, and just in the event the Prime Minister does not have the courage to call an election again this weekend, what we will do next week in the House.

Hon. Jacques Saada (Leader of the Government in the House of Commons and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, this afternoon we shall continue with the opposition day motion.

Tomorrow we shall debate the motion to refer to committee before second reading Bill C-34, the bill introduced earlier today respecting dumping of toxic waste by ships. We shall then return to third reading of Bill C-23, the first nations fiscal legislation, Bill C-12, the child protection, and Bill C-10, the cannabis legislation.

[Translation]

Next week, we will continue this business where it has been left on Friday. We will add to the list a motion to refer to committee before second reading a bill to be introduced tomorrow concerning the DNA data bank.

Tuesday and Thursday shall be allotted days.

Hopefully, by the end of the week, we will begin to have some of the legislation now in committee reported back, so that we can get a good start on finishing the work we have to do before the summer adjournment.

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

Mr. Marcel Gagnon (Champlain, BQ) Mr. Speaker, you will soon be calling me by another name, given that my riding will be named Saint-Maurice—Champlain following the election. For the time being, it is still Champlain.

I am pleased to speak today on the motion tabled by the Bloc Québécois, which I consider to be of the highest importance. Let me read the motion:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities [...]

The unanimous report, now three years old, called for EI to be improved so that more workers and contributors to the plan could benefit.

There is also one thing which shocked people then and shocks them even more today. EI is anything but a scheme to ensure employment for workers. We have known for quite some time that the government has made off with the EI fund, which had a surplus of some \$45 billion.

A worker who makes \$39,000 or less contributes his full share of premiums to the EI plan. When he pays into the fund, it is simply to ensure he has help when he loses his job. His contribution to the EI plan is for him security that will allow him to get through tough times after losing his job, for whatever reason.

In my view and in the mind of the majority of people, the EI fund, which has a \$45 billion surplus, must belong to the workers. Today we see a situation where fewer workers can enjoy EI benefits simply because it has been used for other purposes than that for which it was originally intended.

People who contribute to the EI fund, as I said earlier, are workers making \$39,000 or less, and their employers. The fund is not intended to pay down the national debt. That is understandable.

I am convinced that it is not the workers who make less than \$39,000 a year who put the country in debt. In my view, the national debt belongs to people who are a lot richer than that, to people who, often, do not contribute to the EI fund.

Taking that money and using it as a tax to pay down the national debt is totally unfair to the poorest members of society. Nowadays, in view of the cost of living, if you make between 0 and \$39,000 a year, you are not among the richest. With the way the cost of living is today, a salary of under \$39,000 is barely adequate.

I have trouble explaining to people in my riding and in my area, since everybody is talking about it, how it is that the government's moral standards permit the poorest and the smallest members of society, those who earn the least, to pay the national debt.

The government is very proud to say that not only has it eliminated the deficit over the past few years, but it has paid back about \$50 billion of the old national debt.

● (1505)

This \$50 billion is made up of \$45 to \$47 billion from the EI account and \$3 billion from seniors, who were literally robbed, the government having failed to provide them with the information necessary to receive the guaranteed income supplement.

They should be ashamed to boast about their performance and their good management when they are in fact taking money away from the little guy and the disadvantaged to pay down the debt.

Supply

I do not know if the Liberals hear about this, but I can say that, in my riding and my region—and I assume it is the same throughout Quebec—at every opportunity people bring up the EI account and the fact that seniors have been deprived of \$3 billion in benefits under the guaranteed income supplement. They are wondering where public morals, that is, government morals, have gone.

In this debate, this morning, a Liberal speaker suggested that our numbers were wrong. This person also stated that 88% of workers are eligible for employment insurance benefits if they lose their jobs. While 88% of those who qualify for EI may receive benefits, what she failed to mention was that only 39% of those who contribute to the plan are eligible for benefits.

People who say to us that our numbers do not tell the truth should be mindful of the examples they choose. Certainly, the 88% who qualify may receive EI some day. However, of those who contribute to this insurance scheme, only 39% will have the benefit—or rather the inconvenience, since losing one's job is never beneficial—of drawing EI when in trouble.

This means that 61% of those who pay into EI will never benefit. If this is not robbery or embezzlement, then what is it? I would sure like to know.

I will give the example of the former POWA program, which was designed to help older workers having contributed to the EI fund throughout their active life who had the misfortune to lose their job after the age of 55. You find that in all of our municipalities where old industries or old plants close or are converted. We have seen that happening in Trois-Rivières and elsewhere in recent years. Some workers who had spent a good part of their life, if not all of their life, in a plant and found themselves without a job at the age of 55, could get benefits from the POWA because they had insurance to protect them and help them keep an active life.

The prime minister had promised in 2000 to improve the POWA. However, when he took office, he abandoned this program. The POWA has virtually disappeared. This means that some older workers who had paid in the EI and were entitled to those services cannot benefit from them anymore and were deceived by a government that had promised to improve the program, not to abolish it.

The way the government is treating the workers is a real scandal. It can do all sorts of things. It can say just about anything and often things that are far from the truth. When it says for example that in Quebec people get more from the employment insurance than what they pay into the plan, it is distorting the facts.

• (1510)

There are all sorts of contradictions about the employment insurance plan.

The Bloc Québécois motion is quite simple, and the discussion could be over quickly. We would just need to make it votable, because it is based on unanimous recommendations by an all-party committee of the House. This committee unanimously requested the government to implement its recommendations.

If we want to move things forward instead of making election promises, since a general election is probably just around the corner,

this Bloc Québécois motion should be made votable. The employment insurance plan would be improved immediately. Many workers to whom promises were made during the 2000 election could then get benefits they still do not have.

The Liberal government is managing public money as if it were private and as if the country belonged to it. It is taking money from those most in need. It cut funding for health care in Quebec and other provinces. It is cutting funding for education not only in Quebec, but in other provinces as well.

The Liberal government has made the EI plan less and less accessible, under the pretense that many of the unemployed were not exactly honest and were collecting undeserved benefits for various reasons.

Our workers throughout Quebec and the whole country are much more honest than these people opposite who are the government. I can tell you that the percentage of those who were cheating the EI system, as was said this morning, to get undeserved benefits is certainly not higher than in other areas. Workers should be trusted. We should make sure they get the coverage that should be provided by the plan they contribute to.

If somebody takes out insurance on his house and a fire breaks out, and if he learns that the money has been used for something else and he cannot get money to repair the damage, I think he would be really upset and would take action against the company which has managed the insurance plan that way.

However, this is how the employment insurance fund is managed in the case of workers. They just grab the cash. They pay the debt of the country and they tell workers it is for their own good. They say that employment insurance conditions have improved when it is not the case. They have deteriorated.

For example, they say that many more workers are now eligible. However, they fail to say that many more workers are now paying premiums. The percentage of workers receiving benefits is lower and it is not because the economy is booming, it is because they structured the system in such a way that it is much less accessible to young people, women and those who do not have a secure and steady job.

Young people are among those who have the most problems with employment insurance. For example, in 2001, 39% of jobless youth received benefits; 61% of them had paid in for nothing, they just fattened up the treasury so that the government would pay off the debt. As regards women, only 33% of working women were eligible and received benefits.

• (1515)

For those 25 years old or less, it was only 16%. In total, 30% of those who paid into EI are entitled to benefits when they need them.

Supply

We do not know how to describe what the government has done. There is one sure thing though. As far as I am concerned, I am sure that whenever somebody takes money that does not belong to him, even if that person is in charge of managing the fund, it is called theft.

Besides, the Fund should be managed jointly by the workers and the employers. The government should not be in charge of managing it since it is not contributing a cent to it. Those who contribute to it should manage it. It would be safer.

I can tell you that the \$45 billion or \$47 billion taken from the EI fund could have helped a lot of people who are now struggling, people who, as the NDP member was saying before question period, have a hard time, especially the seasonal workers. These people could benefit more from the plan they have paid into.

The electoral campaign will certainly give us the opportunity to judge the government on the money that was taken away from the workers through the EI fund and on the \$3 billion that older people did not get in guaranteed income supplements because they were not given the information they needed to get what they were entitled to. I am convinced that this government will be judged harshly.

•(1520)

Hon. André Harvey (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, I thank my colleague for his intervention.

I understand that my Bloc colleagues are happy here, in Canada's Parliament. They want to be re-elected. However, whatever the issues they have occasion to deal with, their figures are never right.

They always include Quebec. I am also a Quebecker; I am from the Saguenay. I am keen to be involved in the next election campaign with them. We will talk about the real numbers. Every time I have the opportunity to talk with them, unfortunately, I am obliged, not to be disrespectful, to try to correct the facts about the numbers.

In the past 20 years, our fellow Quebeckers have contributed \$73 billion to employment insurance, and we have provided \$86 billion in benefits. Not only that, but in the past 10 or 11 years, the amounts collected and distributed were about the same. We are not taking into account here the contributions that were reduced by several billions of dollars.

Also, this does not include manpower training programs. For 25 years, Quebeckers asked for them. In the past seven or eight years, we transferred \$600 million a year to the Quebec government. This does not include reductions in contributions, which amount to several billions of dollars a year.

Members opposite keep going back to that \$40 billion surplus, but they forget about the investments in initiatives that contribute to creating jobs and are important for the future of our regions.

It is unfortunate members in the Bloc are ready to stoop to anything just to get elected. It is really unfortunate. They indulge in demagoguery just to keep their seat in this great democratic institution, the Canadian Parliament.

Let us take, for example, the issue of employment insurance. The leader of the Bloc came to my region and told the public that \$157

million were missing. I checked, and it was \$239 million. I thought they would have a good research service by now, with the Election Finances Act, and that their researchers could come up with accurate figures.

They even make mistakes about the softwood lumber issue. In health care, they were talking this week about a 4% federal contribution. Then, it went up to 14%. They should raise that to 40%, because that is the reality.

I would simply like to ask my colleague why it is they always come up with the wrong figures in our discussions.

In conclusion, I would like to say this. We improved the Employment Insurance Act and we will continue to do so year after year, in spite of the demagogy we hear from Bloc members who do not want to lose their seat in the Canadian Parliament because they are very happy here.

When they come to my area, they talk about unemployment but when the time comes to invest they go somewhere else, to Gatineau, for instance.

Mr. Marcel Gagnon: Mr. Speaker, if we are lying with the figures, I can tell the hon. member that he was in agreement with them. Indeed, we are using the unanimous report on employment insurance prepared by the Standing Committee on Human Resources Development. We did not make up anything in that document. It was signed by more Liberals than Bloc Quebecois members. If we are lying, then the hon. member is lying even more.

There is another thing that I want to say. I will be pleased to go back to the riding of the hon. member who just spoke to see if I am lying. I was told the same thing when we raised the issue of the guaranteed income supplement for seniors. I can say that, so far, we have found at least 25,000 elderly people who had been robbed by this government. These people are now collecting the guaranteed income supplement. This represents about \$100 million annually. We still have to find 40,000 people. I was also called a liar when I raised this issue publicly. Let me say that, today, we have the truth.

We are able to interpret the figures as they are.

•(1525)

The Speaker: On a point of order, the hon. parliamentary secretary.

Hon. André Harvey: Mr. Speaker, I think it is important to point out, in addition to the preliminary information and considering the errors that they continue to make, that they mentioned three different percentages.

The Speaker: I think that this is not a point of order. It is a disagreement about the facts. Perhaps we can hear other comments and arguments later on, but I am now giving the floor to the hon. member for Champlain.

Mr. Marcel Gagnon: Mr. Speaker, when it hurts, people try to stop us from talking. I can assure you that I always know what I am talking about and that I use factual information from the House. Actually, this information is contained in a report that the member should have signed and that all liberal members on the committee have signed.

If the member feels that things are so great, why does he not come to meet with softwood lumber workers who have lost their job because of the inaction of this government. While there was \$45 billion in the employment insurance fund, the government told the workers of this industry: "Too bad, you have lost your job, but we will not do anything for you". Absolutely nothing was done to help them.

Two days ago, we met with representatives of the forest industry. They told us that with the way things are going, when we win the war, all the plants will be shut down. There is money in the employment insurance fund; as workers we pay EI premiums in order to be protected. I am sure nobody will dare say that I am lying. I am perfectly willing to have a debate in his riding to show who tells the truth.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I would simply like to ask a question of my colleague who made such an excellent speech. Why did the Liberal Party of Canada, whose members have signed this report, refuse to let this motion be voted on today? According to him, why would the government refuse a vote on the motion, and, in so doing, go against the word of its own members?

Mr. Marcel Gagnon: Mr. Speaker, I thank the member for his question.

As my colleague says, why did they refuse a vote on this motion? Very simply because this is a very profitable issue to talk about during an election campaign. We are about to travel all over Quebec once again, as we did in 2000. They will go and see the workers and tell them that they will improve the employment insurance system. But once we are back in the House, they will not do it.

The member for Acadie—Bathurst said this morning that, at the rate they are going right now, it would take this government eight elections to bring about a reform of the employment insurance system.

They rejected a vote on the motion because, once again, they will make it a campaign promise. They do not know what to do anymore to buy the vote of workers. However, I can tell you that it will become increasingly costly to buy workers.

Hon. André Harvey (Chicoutimi—Le Fjord, Lib.): Mr. Speaker, before the hon. member has a chance to get too comfortable, I would like to ask him if he thinks it is right for the Canadian Labour Congress, in its scientific analysis of employment insurance, to include people who have never worked, people who have never paid premiums, formerly self-employed workers and students? Does he think it is right in an insurance context to include in our statistics people who have never contributed to the program?

Mr. Marcel Gagnon: Mr. Speaker, this is part of the recommendations in the report. We have to find a way for self-employed individuals to contribute to and benefit from employment insurance.

It would be easy. It would simply be a matter of willingness. If you go back on what you signed before the committee, then there is something wrong. It would be easy. It would simply be a matter of having the willingness to do it.

Supply

Earlier, during question period, I heard the government House leader say how much he trusted committee reports. He told an hon. member that he should not talk about the report before it is tabled in the House.

This report was tabled three years ago. It has been examined. We have heard from stakeholders. It seems to me there has been time to draw from it and he agreed. He should still be in agreement. We have to adopt it as soon as possible. I can assure hon. members that we will give our support in order to make improvements immediately. We are prepared to do this immediately.

● (1530)

[English]

Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.): Mr. Speaker, it is a pleasure to stand today in the House and address this most important topic, the motion dealing with our employment insurance benefit program, a program that I believe is one of the cornerstones of our social safety net within the country.

Before I go into detail on all the great things the program does and some of the challenges it will face and some of the changes that may be required, I would like to spend a couple of minutes to deal with process.

When I talk about process, I would like to lend some clarity, some rational discussion and rational positions on the process surrounding the report that came out of HRSD, how that report was addressed and how that report will be addressed in the House by the minister and cabinet.

Through you, Mr. Speaker, for those at home, the committee process is an incredibly invigorating and focused process. As parliamentary secretary, I happen to be a member of the human resource development committee. The committees that meet, whether it be HRSD, or Canadian heritage, defence, health, foreign affairs, whatever that committee might be, have a very specific focus. Whether they be members of the Liberal caucus, or the NDP, or the Bloc, generally speaking I believe committee people put forward their best effort to try to focus with a very specific mandate on the solutions they think are important. Committees work tremendously well, Mr. Speaker, as you well know. You sat on them. When committees have a very specific focus, they produce very clear recommendations.

Through you, Mr. Speaker, the people at home must understand the process is such that once those recommendations are made, they are brought forward to the House and debated in a more generalized context. They are debated taking into consideration many more things than simply the narrow focus of that committee, as does cabinet. Cabinet must view things in a very horizontal fashion, not in a very vertical fashion.

Supply

Therefore, it is not uncommon for Canadian heritage for that matter or HRSD to sometimes bring forward recommendations that are focused in a very linear fashion that can not always be adopted in the most timely fashion possible. That does not mean they are not being considered. That does not mean that parts of those recommendations are not being implemented. That does not mean it does not provide us with the opportunity to raise the level of debate in the House on a particular topic.

However, let us not buy into the rhetoric coming from Bloc, that just because a recommendation comes from committee, it must automatically become. That is irresponsible for the Bloc to even make that accusation or statement.

Once people have a clear understanding of how the process works, how actively engaged members of Parliament are in this process, I think they will have a higher level of comfort in some of the decisions that come from the House and some of the decisions that come from cabinet.

Specifically, on the employment insurance fund itself and the employment insurance program, this program has had an impact on Canadian society like few others have. We have a number of different occupations in my riding of Simcoe—Grey that from time to time have to rely on the EI program. We have a number of seasonal workers within my riding. They are seasonal workers not simply because they are forced into seasonal employment, but rather they are in seasonal employment by choice.

In some cases the EI program addresses the needs of those people who quite clearly cannot be gainfully employed 12 months of the year. In some cases it does not address some of the challenges of part time students. If we deal with part time students, we have to understand that some of these seasonal employment opportunities are stepping stones, as is fortunately the case in my riding.

I have a tremendous number of young people who come back to my riding every summer to explore career opportunities. They work for a specific period of time and then they go back to university. Those people are clearly seasonal employees and it is clear that they are using seasonal employment as a stepping stone, as do many.

● (1535)

However, let us go beyond that and talk about some of the other incredible things that this EI account has done in the past. I would suggest that over the last 60 years of this program it has been a flagship of the fine Canadian social fabric and the fine Canadian social safety net that we have in this country. It is one of the flagships. Throughout the OECD and, for that matter, around the world, this program would be the envy of most countries.

Does that mean it is doing everything it should? Clearly not. This government has been incredibly responsive to the needs and the challenges as they have come forward on an ongoing basis, and certainly over the past 9 or 10 years as changes have been required, changes have been brought forward. We have seen the EI rates reduced on a number of different occasions. I might add that for many these EI reforms we have brought forward, we unfortunately have not been able to get the support of our Bloc colleagues.

We make positive changes to the employment insurance program and the Bloc votes against us. I think there is a certain amount of

hypocrisy when those members say in one breath they think there needs to be change, this government responds, and then they vote against it. I am not sure what kind of language we would choose for that, but it is certainly contradictory at best.

Let me talk about some of the things that this program has done in my riding and about some of the people and some of the families it has supported. Let me say that I am very, very proud of some of the things this program has accomplished. I know that due to circumstances beyond employees' control, from time to time they have to rely on this employment insurance account. We have to put this into dollars: Over \$11 billion was paid out last year to families like those in Simcoe—Grey, families that have had an unfortunate situation arise with plant closures, plant layoffs or seasonal work. Any number of different things will impact this, but the program has been there for them.

For those who have paid in, those who qualify, over 83% actually achieve the benefit of the program. That is a staggering number, so we cannot deal simply with the rhetoric coming from the Bloc.

As the Parliamentary Secretary for Human Resources and Skills Development, I can stand here in the House without any trepidation whatsoever and tell members that the Minister of Human Resources and Skills Development and the Liberal members of caucus, and certainly those from Quebec, have put forward the strongest arguments possible to make sure that the changes we make, the changes that need to be addressed to meet the needs of the people, are done in the most timely fashion possible. I sit in on briefing after briefing. We sit in on strategy meetings with some of the most senior officials within the Department of Human Resources and Skills Development and this is one of the number one priorities. The minister is fully engaged.

But we also have to recognize that we do look at things in a very horizontal fashion on this side of the House, and on that side of the House they should as well. In doing so in that horizontal fashion, if we are going to make changes we have to understand what the implications are of those changes. That does take a little time. As we have done in the past, we want to make sure that when we make decisions and make changes we get it right the first time. That is the process that is under way right now.

I will take this opportunity to talk about some of the incredible changes that have taken place in the EI program. When we were raising our children and my wife or I had to take time off work after the birth of our children, it was a very specific period of time that we were allowed to take, the reason being that we were a young family and we needed the income. We had to get back into the workforce in order to generate income to support our family. That was unfortunate.

I say it was unfortunate because our children lost out on something that this generation is not going to lose out on. There can be no more important time in a child's life than those first few months after being born. And what better quality time, what better motivating force, what greater impact can a parent have than being at home with that newborn child? I was incredibly proud to stand in the House and vote for the women having babies in this country today so that they qualify for EI and are able to stay home for a full year to spend that kind of quality time with and give that kind of commitment to their children. At the end of the day, as has been said time and time again in this House, there is no more valuable resource in this country than our children.

• (1540)

I was very proud to see that kind of change within the EI account and to see that kind of change come forward from this side of the House, from my Liberal colleagues. I know some of the moms and dads who have benefited as a result. Gratefully, I know some of the children who are going to benefit from that. How well-rounded a child can become with that kind of interaction with their parents in that first year. What a tremendous opportunity. What an incredibly civil approach to society in addressing the needs of our children to make those kinds of changes to address those challenges.

We must not let it be said that changes have not been brought forward by this government, because clearly there have been, and those changes were the right changes. Those changes have had lasting positive consequences and there are Canadians from coast to coast to coast who would stand up and say they were the right things to do.

We must also recognize, of course, that as we make these changes in the House we are not simply talking about one EI recipient. We are talking about decisions that quite clearly could have an impact to the tune of billions of dollars. Canadians rightfully expect and deserve and receive from this government an approach that says we must mind this money carefully.

So when I say we have to make sure that we weigh out all the options, that is exactly what I mean. The Minister of Human Resources and Skills Development stands in the House and says that he is waiting to get all the facts, that he is waiting to get all the information. One very important piece of information is the report that came out of HRSB, but it is one piece of information. There are other areas we have to collect information from.

And I know this is time sensitive. I did not get involved in politics and voted in to see people do without. I did not dedicate a good part of my life to this and then come to the House to see people do without. Liberal members of Parliament in this House did not get into politics to see people do without.

We are compassionate, caring people. We want to help. We want to do things that will raise the quality of life, not only in Quebec but all across the country, but I am also here to say that we have an obligation to those very same people to make sure that any of the changes we bring forward are done in a proper fashion, to make sure we have a clear appreciation of the consequences of those decisions, positive and negative. To suggest that we rush into things, to suggest that we simply look at a sliver of evidence and base conclusions and, in turn, decisions on that sliver of evidence, is irresponsible.

Supply

It is easy in opposition. I am not criticizing those members for it, but it is easy in opposition to say the government should do this or should do that. They do not have to live with the consequences. They do not have to look at things in a horizontal fashion. They do not have to make sure that things are done in a balanced fashion.

We hear the rhetoric about softwood lumber. We heard the member who stood up and said the government has done nothing for those who have been hurt by this softwood lumber dispute between Canada and the U.S. That is not true. I cannot be any clearer than that. It is simply not true. This government has responded. It has responded in a number of ways. If the hon. member truly believes that a quarter of a billion dollars, \$250 million focused in on this particular challenge in a very short period of time, is nothing, perhaps he should go back to his riding and explain to the taxpayers that a quarter of a billion dollars means nothing.

I will stand here and tell the member today that there has been a massive investment within the softwood lumber industry since the challenges by the United States took place, and we are making progress. The most recent progress, of course, was the decision that clearly sided with the Government of Canada. That did not happen by itself. The Minister of International Trade, the Minister of Foreign Affairs and the Prime Minister himself have been fully engaged in this file. To simply say that we are doing nothing is not accurate.

• (1545)

I know the hon. member wants to do what is right for his constituents, as do I. We are caring, compassionate people. We are trying to accommodate the needs of Canadians, but we have to do so in a balanced fashion.

It is this kind of balance that people require of government. There is no balance coming from the opposition members because they do not have to look at these things in a horizontal manner. They do not have to understand. They do not have to appreciate the fact that there are significant consequences. We have to make sure we understand them. In short, the opposition is not responsible for delivering the important services that the people in this country require.

It is clear that changes are required. There are gaps within our society and challenges within our economy. There are regional problems, not the very least of which are in my riding from time to time. We have to be sensitive to them and we are. Nobody in the House will fight more viciously or more aggressively than I if I have a problem in my riding and I think the government can respond to it in a timely fashion. Of course, I also respect the fact that in responding to that we have to understand what the impacts are, both from a revenue standpoint and from a societal standpoint.

Supply

As for the Bloc members, let us drop the rhetoric. We have to work in a collegial, cooperative fashion. Enough talk about elections. Let us try to resolve the problem. Let us try to resolve it as a team. That is what the Minister of Human Resources and Skills Development has been saying. He is saying that there is no time to try to score political points on the backs of the unemployed. The opportunity is there to work together to address the needs.

I fully expect members from the Bloc, if I have challenges in my riding, to support me in helping me try to address them. That is what we are supposed to do in the House. We are here to help. We are here to build a better Canada. For members of the opposition to suggest otherwise is just untrue and quite frankly slights the House and slights individuals like me, individuals who truly believe that when we work together, when we work in a collective, we can accomplish some great things.

But I come back to the responsibilities of government. Nobody in the House takes this issue more seriously than the Minister of Human Resources and Skills Development. He has dedicated enormous amounts of time to this. He is making sure that no rock is left unturned with respect to what the potential consequences of various changes will be. He is looking at countless scenarios and he is doing so because he wants to get it right. He wants to make sure that whether it is a seasonal worker in Quebec or a seasonal worker in Alliston the program is there to support them in the most appropriate way possible.

I have to conclude by simply saying this. The time is now to drop the political rhetoric. We have Liberal colleagues from Quebec, from New Brunswick and from British Columbia who are uniting and saying we must make sure these issues get resolved. We need the opposition to join us. We need the opposition to recognize that the only way to address the needs of Canadians, the only way, is to do so in a collective approach: to have a good debate, to find the right solution, and to support it, not as in the past to vote against some of the changes we made, but to support the recommendations that will be coming forward.

I am sure that at some point in the not too distant future the minister is going to come forward with some changes, whatever they might be. When he comes forward with those changes it is certainly my hope that the Bloc members, who are saying here today that change is necessary, will stand there as they have today and say, "Good work, Mr. Minister". I hope they will say that he made the changes that Canadians required. I hope they will say, "We are here to support that change. We are here to make sure the money is delivered to those who need it most".

A number of different things have come out of the EI account that have had incredibly positive impacts within my very own riding. Let us think about the unemployment rate at the present time being somewhere around 7.5%. Even better news than this is the fact that the unemployment rate for women in Canada is now about 5.8%. This is astonishing and this is positive.

That did not simply happen by itself. That happened as a result of a collective approach. This is how Canada works. We stand shoulder to shoulder when we recognize challenges and we overcome them. That is what happened.

● (1550)

When we took office in 1993, unemployment rates in my riding were close to 15% and now they are down below 5% because of our collective approach to addressing these things.

Some of the money from the EI account was used to help train people in Collingwood, Wasaga Beach and Clearview. These moneys were spent to upgrade the skills that those people possess and, in turn, it created a better standard of living for them.

The answer is simple. I ask all members to please work with us to make sure that we get the right solutions in the right time.

[Translation]

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): Mr. Speaker, this is one of the best comedies I have ever seen performed in this place. This is a farce.

My colleague opposite who just spoke tried to entertain us with his humour. Luckily, few people watch the proceedings of the House at this time of day and I am very happy about that, because there is more entertainment value for those at home in watching cartoons than listening to this person talk rubbish. That is the best way to describe his remarks.

It takes some gall, some nerve, to suggest that we should take our time to settle the problem properly. Since May 2001, the Standing Committee on Human Resources Development has heard testimony, conducted investigations as committees do, and presented 17 recommendations, 17 unanimous recommendations that is. As the hon. member aptly said, we should all work together. If these 17 unanimous recommendations are not the result of a team effort, I wonder what is.

Are members opposite waiting for the election to be called to repeat the 2000 election stunt, when the current Prime Minister worked himself into a state in Baie Comeau and said that the seasonal workers' issue would be resolved? We are in 2004, and there is still no solution forthcoming to this problem.

Will the proposal forthcoming from this government in the next few days or weeks just be smoke and mirrors, just one more campaign promise? We are almost back to the days of Duplessis. Will employment insurance be used for vote-getting purposes for the next 10 elections? Duplessis could promise the same bridge election after election. We are heading that way ourselves now.

I would like to have my colleague's comments on the 17 unanimous recommendations tabled by the Standing Committee on Human Resources Development in May of 2001. Were they shelved or pitched out altogether, or was this a serious effort by members of all the parties?

[English]

Hon. Paul Bonwick: Mr. Speaker, it is unfortunate that I have to respond to the rhetoric from someone who I would like to say is an hon. member but who I will just refer to as a member.

By insulting me, compromising or challenging my motive, calling what I say a joke, what kind of parliamentary decorum is that? Does he not think that Liberal members are every bit as concerned about addressing the needs of Canadians as he is?

He keeps referring to an election. Clearly, the hon. member is very nervous about one. I am saying that he should not be talking about an election. He should be talking about working in a collegial manner to resolve the issues of the day. This is not a joke. Working as a separatist in that kind of environment does nobody any good, especially his constituents. The member should be ashamed of himself for making those kinds of statements.

I did not come to the House to be called a joke. I do not dedicate my time and my energies trying to resolve some of the challenges of the day just to have somebody sitting across laugh at me. I did not support the extension of parental benefits through EI so that mothers and fathers could spend time with their children just to have somebody across the way insult me.

No wonder people sometimes have a bad feeling about the House when we see those kinds of shenanigans coming from the Bloc. I can tell you, Mr. Speaker, that there are more people watching than he thinks and they see how he conducts himself. Shame on him for it. I am as much concerned about families in Quebec as I am in my own riding. I will stand here and speak as passionately as I possibly can to address those things.

It is clear that there is a timely need for change. All I can say is that I believe the minister and the Prime Minister take the problem as seriously as any facing the government right now. As a result of that, I believe there will be action.

I have sat in on numerous meetings. It has not just been the HRSD committee. Members of Parliament have been fully engaged in this. Members from the private sector are fully engaged this. Unions are making recommendations. We receive enormous numbers of recommendations.

What is happening with the HRSD report? The Minister of Human Resources and Skills Development has stood in the House no less than a dozen times and has said that he appreciates the work the committee did and takes its report very seriously. Clearly it will have an impact but it is one part of a larger piece of pie that he is looking at.

He will take that report very seriously knowing that it came from parliamentarians wanting to make sure that the necessary changes to help Canadian families are put into place. However he also takes seriously the recommendations that come from unions and from the private sector. I know the Quebec members of Parliament, through me and to the Speaker, have been as passionate as anybody could be on making sure that the right changes are being made. They have recommendations.

The key to success in this whole thing is making sure that we wade through them, that we understand the impact and that we make the changes necessary to address families, whether they be in New Brunswick, Prince Edward Island or in Angus, which happens to be in my riding. For those kinds of changes we have to understand the impact, both positive and negative. That is what is being done.

I want to see change. This is a living, breathing program. There has been change, there will be change again and there will be change after that. I am as dedicated as anybody in the House to ensuring that the changes we make are appropriate and balanced.

Supply

However, to have somebody stand in the House and suggest that what I am saying is a joke, to insult the people in my riding who have qualified for and received benefit from the employment insurance fund or, for that matter, people right across this country, it is shameless politics and nothing more.

Canadians rightly expect and deserve the Liberal government to approach things in a rational fashion and in such a manner so as to understand the needs of Canadians and responding.

● (1555)

I go back to my earlier statement on the OECD. Let us look around the world. This is a program that clearly needs change but it also does wonderfully good work and we should recognize that. We do not want Canadians thinking the employment insurance program is an obsolete tool and that it does no good because that would not be true.

There are families in my riding and families in British Columbia, Quebec and Saskatchewan that are dependent on this program. It is doing what it is supposed to do for those families. Of course there are families, unfortunately, that have not qualified at this point in time, but that is not to say that we have not made changes in qualifying hours for seasonal workers.

The Liberal members of Parliament from Quebec, for that matter the Liberal members of Parliament from all across the country have been very vocal in making sure we recognize what the needs are and making sure we move forward with some of the changes necessary.

That is what we are doing. I certainly hope that over the period of the next few days and weeks the minister will be able to make some of the appropriate changes that might help in these unfortunate situations.

I have to say that when the Bloc members shamelessly voted against the changes that we have made in the past, when we respond to the needs of Canadians in Quebec, Ontario and Alberta, they should be supporting them not voting against them.

The Bloc members will have an opportunity in the not too distant future to right their wrong. They can stand up when the necessary changes come forward and they can say, "Mr. Minister, good job. You recognized the problem and you dealt with it in a balanced fashion. Quebec members of Parliament, good job in your fight for Quebecers. New Brunswick members of Parliament, you fought for New Brunswickers. Ontarians, we did it collectively". That is how Canada works and the House works.

I will be extremely pleased to see the proper changes come forward and know that the Liberal government made them happen.

● (1600)

The Deputy Speaker: Before proceeding with the debate, the hon. member for Regina—Qu'Appelle wishes to raise a question of privilege, to which he gave written notice an hour ago.

Supply

PRIVILEGE

STANDING COMMITTEE ON JUSTICE, HUMAN RIGHTS, PUBLIC SAFETY
AND EMERGENCY PREPAREDNESS

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I rise on a question of privilege. Earlier today it appeared in the newspapers that the justice committee report on the appointment of Supreme Court justices may have been leaked to the press. I am a member of that committee and I feel my privileges have been infringed upon.

I was called by three journalists yesterday and made a point of not talking about the contents of the committee report or minority reports that will be attached to that particular report of the justice committee.

Mr. Speaker, for your thought and study, I would refer you to an article that appeared today in the *National General News*. The headline reads:

Feds won't let provinces nominate Supreme Court candidates, say sources.

I would also refer you to an article in the *Victoria Times Colonist*. The headline reads "Report says PM should pick justices".

[Translation]

Finally, I will read an article from Montreal's *La Presse*. The headline reads: "Liberals refuse provincial input into Supreme Court appointments".

[English]

The article contained more alleged details from the committee report that has not yet been tabled in the House of Commons. I think that is an infringement upon the rights of any member of Parliament who sits on a parliamentary committee.

This is a report that was drafted in camera and details of the report appear to have been leaked to the press. That is a serious infringement upon the rights and privileges of all members of the committee and all members of the House of Commons, whether or not we sit on that particular committee.

The Deputy Speaker: I thank the hon. member for Regina—Qu'Appelle for raising a question that is very substantive and of a very important nature with regard to a possible leak of information from the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness.

The member for Regina—Qu'Appelle would be aware that that particular report has not been tabled and is not yet before the House. However, when it is tabled, I would expect early next week, the Chair will entertain submissions from other parties interested in the matter.

Until such time, the Chair will take the question raised by the hon. member for Regina—Qu'Appelle under advisement, as he has already suggested.

[Translation]

The hon. member for Argenteuil—Papineau—Mirabel.

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, it is obviously a pleasure for me to speak on this Bloc Québécois motion which reads—and I shall take the time to read it so that everyone in Quebec and everyone in Canada listening to us, even the Liberal members and members of the other parties in this House, understands the meaning of the words:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled "Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance".

I took the trouble to read the motion aloud because many of the Liberal members in this House, and others, have made speeches that tried to make us believe—especially those from the government side—that this good government is making or has made all necessary efforts to find a solution to the problems of people who have trouble collecting employment insurance benefits, particularly seasonal and other workers.

This is quite difficult. Once again, we are having this debate just before an election. It was right after the election in 2000 that a committee studied the whole issue, and it reported in May 2001. In 2000, all those elected and all the candidates of all parties—especially the Liberal Party—who travelled throughout Canada could obviously feel how disgruntled Canadians were with the employment insurance plan.

People were very unhappy because since 1996, when the then finance minister and present Prime Minister decided to change the plan, the federal government has not put any money into the EI fund. Only employers and workers are contributing. This should be an independent fund.

All those who contribute think that, if they are the ones who pay, they should manage the plan. But with the EI plan, it is just the opposite. Employee contributions are deducted from the paycheque, and employers also make their contribution at the same time. The federal government does not put in any money, but it is managing the fund and, to make things even worse, it takes the surplus, puts it in the consolidated revenue fund and uses that money.

During the 2000 electoral campaign, the Bloc Québécois candidates across Quebec decided to fight a merciless war against the Liberal Party and said "Look at the astronomical surplus that you have built up with the EI fund. You have not given the money back to the workers who needed it, especially the seasonal workers, and to the self-employed workers". There was an important debate on that issue.

The public then realized that the figures given have never been challenged. Since 1996, the government helped itself to \$42.5 billion from the EI fund surplus. The government took \$42.5 billion from the money that the employees and the employers had paid into that fund.

Supply

Many terms have been used to describe what the government did. Many come to mind, but there is only one reality. This is why the Liberals insisted, after the 2000 election, that the Standing Committee on Human Resources Development and the Status of Persons with Disabilities study this issue, and it produced a unanimous report.

I am amazed today—because I was only elected in 2000—to see members of the Liberal Party give speeches in this House and tell us, “You know that the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities was one report among many”.

Members of the Bloc Québécois who are chosen to sit on a committee are experts; they are the best. Theoretically, if I use the same reasoning, the Liberal Party should have sent to this Standing Committee on Human Resources Development and the Status of Persons with Disabilities its best people, the men and women who are the most able to find a solution.

All of us, in the Bloc Québécois, the Liberal Party, the Conservative Party, the Alliance, the NDP, everyone made 17 unanimous recommendations. Once again, three years later, we are debating these recommendations, which should have been approved immediately after May 2001. We should not be discussing this today in the House. Why? Simply because the Liberal Party, which accumulates billions and billions of dollars, is not in a rush to deliver the goods or to increase its expenditures in the employment insurance program.

• (1605)

People are again upset across Canada and across Quebec. Everyone is upset. It is not the employee's fault if he works in a seasonal industry. There are many in my riding of Argenteuil—Papineau—Mirabel. Tourism, agriculture and forestry are all industries that, because of the weather, have many seasonal jobs.

If, tomorrow morning, it was decided that there would no longer be any seasonal work, imagine the impact on the economy of the regions of Canada and Quebec. This is more or less the message that the Liberals have been sending over the past three years. That message is “If some are not happy, then they should change jobs”. Quebecers are proud people. They want to continue to work in their regions. We would like to be able to occupy the whole territory and to continue to have regions that develop and that are economically strong. This is why employers and employees have an employment insurance fund, pay premiums and expect to be able to negotiate the content.

The hon. members who sat on the Standing Committee on Human Resources Development and the Status of Persons with Disabilities made those 17 recommendations after hearing all the stakeholders, including employers and employees from all types of industries.

The reason the Bloc Québécois is tabling this motion today is because these 17 recommendations were not accepted by the Liberal government.

What we find difficult and hard in the Liberal discourse is to be told “We will make proposals”. First, it will not be those 17 recommendations. Everyone realizes that. It is clear to those who have been listening to us today that the Liberal government will

not propose these 17 recommendations. Otherwise, what would the Liberals have done? We asked that our motion be a votable item. Therefore, they would have voted and they would have supported our motion today. But this is not what they have decided to do.

There will be some changes before the election. We will be happy to see some things done. But we want the EI problem fixed. We in the Bloc Québécois are here, in this House, to fix problems, not to fix them partially or put the whole thing off.

The government is getting richer and in the meantime it is dragging its feet and putting it off for another two or three years once again. The government keeps on getting richer on the backs of workers and the unemployed. Once again, it is going to try to drag things out because, in the meantime, it can use the money for something else. We have heard all kinds of comments in the House today. Some Liberal members told us “We put that money into health care”.

But that is not what workers wanted when they allowed part of their paycheque to go to the EI fund. It does not say “medicare premium”, or “pharmacare premium”. It says “EI premium”. That is the reality. That is why workers pay into the fund. Employers pay the premium to get a service they do not get.

The reality behind the Canadian Labour Congress figures is that, since the Liberals came to power, fewer people have been getting benefits and their overall income has been dropping. In 1993, 57% of people without a job received EI premiums. In 2001, it was only 39%.

So, since 1993, 22% fewer men and women have been eligible for EI. Moreover, for women the change is even more significant as the percentage has dropped to only 33%. The average is 39% and only 33% of women receive EI benefits.

The government tried to give us all kinds of explanations, telling us that when the Canadian Labour Congress carried out its study, it calculated that among the unemployed, there were some who did not contribute. One of the recommendations is to allow self-employed workers to pay into the EI fund and be able to receive benefits since they are contributing and paying taxes in Quebec and Canada. They would like to contribute to the EI fund also.

The Liberal government is opposed to that, once again, because those additional expenses would lower the \$42.5 billion surplus it has been accumulating in the fund over the years. Sadly, the scheme we have currently has created gaps in various regions, especially in the spring.

• (1610)

That means that for seasonal workers, families go for 8 to 12 weeks without any revenue according to where they live.

Supply

Some will say that each province has its income security scheme. However, that is not real income security because when someone applies to the income security program, there are further delays. Households can be another month and a half without any money coming in.

That does not bother Liberal members in this House. That is the problem. We are creating poverty, when the Chrétien government had declared in 2000 that it would reduce child poverty. What is being created right now are families in need. The government is creating poverty by leaving families without any revenue for 8 to 12 weeks.

Creating poverty in Quebec will never be acceptable to a Bloc member, be it the member for Laurentides, the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques or myself. All Bloc members will fight to the end to avoid the creation of pockets of poverty in Quebec and in Canada, and we are proud to do so.

Bloc members do not fight only for Quebecers. We also fight for Canadians who pay their EI premiums and do not receive what they are entitled to in return but are caught in the gaps if they work in seasonal sectors like tourism, resorts, forestry or agriculture. It is the same thing for self-employed workers, whose number is always increasing.

That is what Canadians and Quebecers expect from us when we come to this place to represent them. They want us to work on changing the legislation, and that is what the Standing Committee on Human Resources Development did in 2001. All political parties adopted a unanimous report. I repeat that I personally consider that the most competent of Bloc members on the issue sat at the committee and I assume that all parties sent their best people.

They came up with 17 unanimous and very important recommendations, the precise purpose of which was to use funding to establish a little more social justice in Quebec and in Canada. As I said, since 1996, since the Prime Minister, then Finance Minister, cut off the federal share, this program has been financed solely by employers and workers. Not one cent comes from the federal government any more.

The only problem for workers and for the unemployed is that the government is administering the fund as if it were the owner. It has helped itself to the contents and spent them on other things than solving the problems of the unemployed.

What the committee wanted to do with its 17 recommendations was to improve a harsh reality. That is also what the Bloc Quebecois wants to do, and the reason behind our motion today. We do not want piece-meal reform. That is true. What we want, before the election, is to solve, for once and for all, the problems raised by the Standing Committee on Human Resources Development.

We cannot be accused of partisan politics because, once the problem is solved, the Liberals will be able to go about claiming that they are the ones who did it. That is what they will do: claim they have partially solved the problem. The Liberal members have already started saying that not everyone will be satisfied, that this is not what people want, that the government cannot afford it, while it is squirrelling away billions of dollars in surplus funds.

Next year's surplus is estimated at \$5 billion. We are already estimating for next year, because an \$8 billion surplus was accumulated this past year. Once again, close to one-third of the federal government's surplus comes from the employment insurance fund. It is a kind of tax in disguise taken from the paycheques of workers, and from the revenues of their employers, in the form of EI contributions, but not returned to the men and women who need it so badly.

It is interesting to see what this EI fund surplus can represent on an annual basis per riding. In my riding of Argenteuil—Papineau—Mirabel, it represents \$35.7 million annually.

● (1615)

It is a riding with about 100,000 inhabitants. For the riding as a whole, the unemployment rate is about 9.5%, but in certain areas, certain regional municipalities, it is over 10 or 12%. That means \$35.7 million, after all.

For my colleague in Laurentides, it is \$62.5 million that is not being returned to the working people each year. Imagine if each riding had an independent fund that managed this money for the well-being of the workers. Imagine what could be done, what kind of a system the workers could have, if they could manage that.

For the riding of Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, the amount is \$48.2 million. That is the riding of my wise colleague taking the lead on this matter today, who has worked hard and prepared our arguments. In the Lower St. Lawrence region, there is not the kind of wealth found in downtown Toronto. The same is true of my riding. In the Laurentians, it is the same thing. We have a lot of seasonal workers in fisheries, agriculture, forestry and tourism.

Obviously, that is the picture for every area outside urban Quebec and urban Canada. That is what regional Quebec and Canada look like. That is most of the ridings in this House. The members here are affected by this reform.

Today, I was blown away to see the Liberals get up and ask us to agree that they are not insensitive. They are not insensitive; they are simply confident that they can take the money in the fund and do other things with it than what the people have paid for. It is as simple as that. They are not insensitive; they are profiteers. I would go that far. There are other words that cannot be used because they are unparliamentary. We will admit that you profit from the system; you profit from the workers and from the EI premiums deducted from their pay.

As I said earlier, I was blown away by remarks to the effect that the surplus was used to invest in health care. In theory, when this money is taken off the pay cheque, it is under employment insurance premiums. It should go to EI. Only the federal government can help itself like that. As individuals, we cannot collect money and not report it at the end of the year in our income tax return. We cannot establish funds in which to put this money and use it for purposes other than those for which it was collected. Only the federal government can do that.

I could take one riding after another. There are losses in every riding in Quebec. There is a deficit, a financial deficit, resulting in workers not getting full benefits when they are in need after losing their jobs. For seasonal workers, this gap usually occurs in the spring and lasts from 8 to 12 weeks, depending on the region. During this gap, their families have no income, and they are forced onto the provinces' income security systems. That is terrible, of course.

There are self-employed workers, women who have decided to work from home, who created their own business in order to be able to take care of their children, who are unable to contribute. Even if they were willing, the government does not want them to contribute to the employment insurance fund. In fact, they do not want any more claimants. Currently, the system is so profitable they do not want to expand it. They are afraid of losing their cash cow. The Liberal position is as simple as that.

They take money from the fuel tax, but do not reinvest it in the highways. They invest only 25% in the highways. They take this fuel money and put it back in health. In the meantime, they create other infrastructure programs, but they do not want to use the fuel tax revenues because they have already said this tax would not be used for the highways and was allocated for something else.

From one mistake to another, we ended up taking \$40.5 billion out of the workers' pockets. As I said, the federal government, since 1996, since this Prime Minister, when he was finance minister, decided that the federal government was no longer contributing to the EI fund, all workers and employers have been paying higher premiums. In the last ten years or so, \$42.5 billion have been paid in excess to the federal government. This is the harsh reality we, as members of the Bloc Québécois, have to live with.

The members on the Standing Committee on Human Resource Development were not only from the Bloc Québécois. Most of the committee members were Liberals. In fact, for those who would not know, all committees of the House of Commons are controlled by a majority of government members. That is the way things are and we do not have anything against it.

• (1620)

Except that, in this case, even the Liberals who were in a majority voted unanimously with the opposition parties in favour of adopting those 17 recommendations; and today they refuse to adopt them. They will not dare tell us it is because they lack the funds. Forget that. It is not that there is not enough money. That fund generates a \$2 to \$3 billion surplus each year. So the reason is not a lack of money.

The reason is they simply put that money to other uses. That is what they should tell us right now. They should tell workers: "Yes,

Supply

we are punishing you, we are not giving you the benefits you deserve; yes there are families without income for eight to twelve weeks because we have decided to use the money for other purposes". That is the harsh reality. They should also tell the independent workers: "You will pay income tax at the end of the year but you will not be eligible to employment insurance benefits. If you lose your job, you will not have access to that income because we refuse to give you the money. We have other things to do with it".

That is what most of the Liberal members should have done today. They did not. They will deny that fact of course, because the election is fast approaching.

I will repeat why the committee met in May 2001 to prepare its report. After the 2000 election, cries were heard from people in the regions all over Quebec and the rest of Canada; they wanted the government to stop taking money from workers because it did not fix the problems experienced by families when the wage earners lost their jobs. So this committee was created. Great things were expected from this committee.

I remember the pressure that was put on the committee. We produced a unanimous report, and the pressure fell on the Liberals who formed the majority and who adopted the report unanimously. However, today, some Liberals are opposed to this motion. Furthermore, when the motion was presented in the House, some Liberal members of the committee voted against it even if they had adopted and signed the report. Of course, these members will have to live with their conscience. It is as simple as that.

It has been a pleasure for me to take part in this debate. I hope that we will have succeeded in moving things forward, and, above all, in convincing Quebecers that one must never stop applying pressure. Of course, the best way to do it is to vote for the Bloc Québécois in the next election.

• (1625)

[*English*]

Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.): Mr. Speaker, maybe it would help serve all Canadians well if the Bloc member could give me an explanation. He mentioned the self-employed. He knows that when the government responded to the standing committee report back in October 2001, we said that there was no consensus among the self-employed to pay EI premiums.

The government asked the standing committee to find a consensus. He knows it is not going to be fair to let some individuals pay into the system and others not pay. So, given that all workers in insurable employment pay premiums, how does the opposition member suggest the government address this issue of coverage of self-employed workers?

Supply

[Translation]

Mr. Mario Laframboise: Mr. Speaker, first, I want to tell the minister that the Liberal members who sat on the Standing Committee on Human Resources Development and the Status of Persons with Disabilities agreed with the recommendation.

I realize that independent programs can be created. However, in order for this to happen, a signal must be sent to the effect that there will be a program, but the Liberal government never sent such a signal.

One prefers to listen to those who think like him. Of course, even if a committee is unanimous, it has heard witnesses nevertheless. Some had reservations, as usual. However, there was still unanimity in the end, as evidenced by the unanimous report produced by all the political parties.

The problem when a government does not want to move forward is that it always looks for the person who has reservations. It takes the opinion of that person and says what the minister just told us, which is "Look, some were not pleased. An independent program would have been in order".

We were prepared to support such a program. So was the industry. However, there was just one problem: the government should have sent a signal and said "We will set up a program. We will sit down with the stakeholders and we will find how we want this to work". But of course the decision was never made, despite the unanimous report and despite the Liberal members who sat on the committee.

Again, the Bloc Québécois members who sat on the Standing Committee on Human Resources Development and the Status of Persons with Disabilities were the best in this area. I hope that the Liberal Party did the same and selected the women and men who were the best choices to work in this area.

I trust the report produced by my colleagues who sat on the committee. The recommendation was to establish a program for self-employed workers. If I had been the government, I would have created this program and I would then have sat at the table with all the stakeholders.

However, when one does not want to do something, one always find an excuse not to act. Meanwhile, the government is piling up billions of dollars which probably makes the minister and president of Treasury Board happy, since he knows what to do with those billions: the main thing is to keep the money out of reach of workers.

• (1630)

[English]

Hon. Stan Keyes: Mr. Speaker, it was a serious and sincere question from this hon. member to that hon. member regarding those who are independent employers and employees. He did not give me an answer. He gave me a rationale and a political answer to the question.

It is a simple question. The government recognized that there was a problem in the result of the committee's report. It responded in kind. Therefore, it would be up to the hon. member to sit down with the committee and find a rational solution to this issue. Why has the member not pursued that or even put forward any suggestion on how we should handle this issue?

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I will try to be clear for the minister.

In order to establish a program, the government must send a signal. We the establishment of a program. If the government is ready to commit to that today in this House, we will all support it unanimously. There is no problem there.

The problem has to do with the decision to establish the program. The minister wants to solve all the problems before establishing the program. What we suggest is that he announces the program. He would see that all stakeholders would sit at the table and we would be able to come to an agreement on the program.

Of course, without goodwill, they will try to predict every possibility and, meanwhile, they will not have to spend any money. This is the approach the government has chosen. I do not agree with it. If the government decides today to establish a program, we will support it. Later on, we would sit down with representatives of the industries and with the self-employed to try and find the best way of collecting premiums and paying benefits.

However, the government must first be interested in establishing a program, which has not been the case. The government has thus far shown no intention of doing so.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I wish to congratulate the member for Argenteuil—Papineau—Mirabel for his speech and the clarity of his arguments.

I would like him to tell us why he thinks that the Liberal government refused to vote on this motion. A debate of the kind the minister spoke of earlier would have been relevant. If some government members had wished to say that they were not ready to support the entire report and wished to isolate some aspects of it, there could have been some negotiation or discussion with the government, but there was no such thing.

After the 2000 election, the government made a unanimous recommendation through a committee and they put that recommendation on a shelf somewhere. Three years later, they pull it out because the Prime Minister himself said that changes were needed for seasonal workers. This reminds us very much of a phrase in a song by Gilles Vigneault which goes: "Each election, the road gets closer." In this case, at each election, the Liberals bring back, one way or the other, the employment insurance plan.

I would like to ask my colleague if he has an explanation for the fact that the Liberals refuse to vote on today's motion.

Mr. Mario Laframboise: Mr. Speaker, I thank my colleague for his question.

You will, of course, have understood the motion, but I will reread part of it:

—an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee—

The difference lies in the use of the term “along the lines of”. My colleague is right, there could have been negotiations. We were prepared to hold discussions with the government. The problem is that they were opposed to having a vote on this motion today.

Why were they? Purely and simply because we would of course have ended up with a thorough reform and not a piecemeal one like they want. They certainly cannot call an election without an EI “mini-reform”. That would be terrible for them in all the regions of Quebec. They would try to bring in a few piecemeal changes.

What we were proposing in this motion today was an in-depth reform and one that would have settled the employment insurance problem for once and for all. I repeat that the workers have paid an excess of \$42.5 billion into the EI fund since 1996, and the government has been using that money for purposes other than providing them with the service they deserve.

• (1635)

[English]

Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.): Mr. Speaker, I cannot help but want to comment just one more time on the hon. member's dissertation following my question and his resolve that it is just up to the House of Commons committee to make a decision to pursue what it is the government has concerns about.

That is the way democracy works. The hon. member for the Bloc knows full well that there is a process by which we do things around here. He asked to be at the committee. It was the human resources and skills development committee. A committee is the master of its own destiny. He brings that idea forward to committee. Then the committee makes a decision on its priorities on the issues that it wants to deal with as a committee. It has nothing to do with this House or votes or the government's moving in on a committee.

The first thing the member would do if the government or the House of Commons started intruding on the business of independent committees would be to get on his feet in a second and say, “How dare they intrude on the business of the committee. The committee is the master of its own destiny and we shall choose whether or not we discuss this issue or that issue at committee”. The hon. member has to be completely open and honest with the House and his constituents back home.

I am pleased to have the opportunity to join in on the debate on the member's motion to review further proposals to reform employment insurance.

I would like to begin by saying that the government is committed to ensuring that EI is there for Canadians. It is our commitment to make changes to the EI program when the need for change is clearly demonstrated.

Ever since the new employment insurance program was introduced back in 1996, the government has shown a willingness to listen to Canadians. We have made adjustments to the system based on sound evidence in order to ensure that EI is there for Canadians when they need it and that the program continues to be responsive to changing circumstances in the labour market.

Supply

Moreover, the record shows that we are working diligently to make sure the EI system is responsive to the needs of all Canadians, including those living in Quebec.

When the government brought in a new employment insurance system in 1996, we were determined to ensure the long term viability of Canada's employment insurance system. We also committed to monitoring and assessing the program to see how individuals and communities were adjusting. Where evidence has shown that adjustments are needed, changes have been made. These objectives have guided our approach to EI reform in the past and they will continue to guide us today.

By most accounts, this approach to EI is serving Canadians well. Today we have a program that is financially stable. Premiums have declined from their historic high levels of \$3.07 in 1994 to a low of \$1.98 this year. An estimated 88% of Canadian workers would be potentially eligible for EI if they lost their jobs today.

We also have a program that is evolving to respond to changing needs. The government recognizes that some regions and groups of workers, such as workers in certain seasonal industries, can face particular challenges as they seek to adapt to changing labour market realities and the new economy.

The EI system is responding to special circumstances like these in appropriate ways. Indeed, a look at the records shows how the government has already made program changes to reflect the changing needs of Canadians since 1996, including the needs of seasonal workers.

Bill C-2 that was passed by the House in 2001 is a good example. It included a number of significant changes that are relevant to today's debate. There is the elimination of the intensity rule so that frequent claimants would not be penalized; a better targeting of the clawback to ensure that first time claimants, claimants collecting special benefits, and claimants in lower and middle income families would no longer have to repay their benefits; an adjustment to ensure parents re-entering the labour market could qualify for benefits on the same basis as other workers.

• (1640)

Since Bill C-2 was passed, the government has also improved the EI system in other ways, such as through changes to the small weeks provisions. Originally introduced as a pilot program in 1998, the small weeks provisions are designed to help seasonal and part time workers maintain their attachment to the labour force and therefore their eligibility for EI by encouraging them to accept work with lower earnings without reducing potential EI benefits.

Now a permanent part of EI, the small weeks provisions have allowed over 185,000 individuals to earn both higher incomes while working and an average of \$12 more in weekly EI benefits than would have been otherwise done.

Supply

Another good example relates to the economic regions set up under the EI program in the year 2000 to take into account the higher unemployment rates that exist in some parts of our great country. We know that some workers in some areas, particularly seasonal workers, need more time to adjust to the changes made in 2000 and we have shown flexibility in our response to regional concerns.

For example, in the Bas-St-Laurent-Côte Nord region in Quebec and the Madawaska-Charlotte region in western New Brunswick, a special transitional period has been put in place. This means claimants in these regions require fewer hours to qualify for EI benefits and can receive benefits for a longer period than they would have without the transitional period.

In addition, we have changed the way that undeclared earnings are calculated to make it easier for employers and fairer for claimants. Apprentices are now only required to serve one two-week waiting period during the duration of their training. Quality of service continues to be the focus of significant ongoing work and we have taken concrete steps to prevent and respond to fraud and abuse.

The government is continuing to work with local committees in the regions and others to monitor the situation. It is prepared to make other changes where evidence indicates that it is appropriate.

To sum up, a careful look at the government's record on EI illustrates that the government is listening and is willing to make changes that are in the best interests of Canadians and the long term sustainability of the EI program.

One of the strengths of our EI system is its adaptability. It means that we can adapt to the evolving needs of Canada's workers and changing labour market conditions, but it does not mean accepting every change that is proposed.

The government is clearly committed to ensuring EI remains financially viable for the long term. It is equally committed to ensuring that the system is responsive to legitimate needs that do arise.

The record shows we have done the right thing in the past with EI. I know that we will continue to do the right thing in the future.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, the minister's first speech was an erudite description of what committees can represent. He used to sit on the Standing Committee on Transport and we had the opportunity there to address the problems of air transportation. I agree with him, the government acknowledged not a single one of that committee's recommendations. That is the *modus operandi* of the Liberal government. That is the reality.

They use the services of the MPs most familiar with certain specific issues, but then they do not respect their recommendations. This is why we have doggedly tried in this House to achieve a unanimous motion so that at least once a committee might succeed where so many others have failed.

That was not the point of my question; it was just a comment on the minister's remark. Here is my question. I would like the minister to explain to us, and to the workers of Quebec and the rest of Canada, what the government has done with the employment

insurance fund surplus. It is clear—even the government has not hidden it—that a very significant amount is collected, more than the fund pays out to employees who need it. We estimate it at \$42.5 billion. This figure has been confirmed by the Canadian Labour Congress and other organizations. Therefore, what does the government do with the money it takes off employees' paycheques?

[*English*]

Hon. Stan Keyes: Mr. Speaker, let us deal with the last question first. The hon. member from the Bloc asked what we would do with the surplus funds.

The surplus funds, as he well knows and as everyone in Canada knows, go into the general revenue fund to help fund our programs, our valued social programs. He understands too that even as recently as just a couple of months ago when the Auditor General made her report, she said that it was a completely acceptable accounting practice to put these surpluses into the general revenue fund. The hon. member has his answer. I suppose he would have known that answer all along but he just wanted to see if I knew the answer.

The member then mentioned something about Transport Canada. Yes, I was on the transport committee with the hon. member. In fact I was on the transport committee when I was first elected in 1988. That was a great time. We were in opposition and we had all kinds of proposals on the table, including for example the high speed rail project.

We examined that. We went across our country and across Europe. We looked at the different modes of transportation, the different high speed projects that are found throughout the world. It was pretty clear that while it was a great proposal, there were factors such as the population densities. In France, for example, the population densities are great. In the United Kingdom the population densities are great.

Here in Canada of course we have a population that is spread out for miles across the country, tens of thousands of kilometres. It makes it a little less viable when it comes to trying to pay for a system by the passengers paying a toll, so it becomes a responsibility of the government. When we started to price that project, we were talking about billions, with a capital *B*, of dollars of investment in order to make a project like that work.

At that time, and at this time, when the government is being fiscally responsible and money is tight, it can be rather difficult to convince Canadians of that. We are trying to ensure that we have a viable health care system in this country. We are trying to ensure that there is lifelong learning for our children. We are trying to ensure that there are extra child care spaces, and we announced some 48,000 child care spaces in the last budget. We are trying to ensure that our economy is stable, that our interest rates are low and that a person can go out and buy a car or a refrigerator tomorrow and not have to worry about whether or not they are going to have a job the next day in order to pay for that refrigerator or that car. That is called fiscal responsibility.

Do we have options on the table? Absolutely. Do we want to build a high speed rail project? Let us do it, except it is going to cost billions of dollars that may otherwise be spent on projects and on our social foundations which are the priorities of Canadians today. Those are the priorities.

We are interested in the priorities of Canadians. We are interested in the priorities of those who find themselves out of work and need the assistance of employment insurance. We want to make sure it is there for them. It is there for them. It will continue to be there for them. Of course those rights that are charged for Canadians for that program are always going to be fiscally sound in order to ensure that Canadians are not paying \$3.29, or whatever it was back in the Tory days, but \$1.98, what it is now down to, because we are being fiscally responsible.

• (1645)

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I see that the minister has a selective memory. I asked him the question about air transport, knowing about Air Canada's terrible results. All of the committee's recommendations on air transport were rejected by the government. And now we see what shape the airline industry is.

On employment insurance, the minister has given us the answer. Obviously, the government is doing something else with the surplus in the EI fund and that is what the Bloc Québécois deplores. Men and women are at home. Families live through 8 to 12 week gaps every year, when there is not enough income for a worker in the fishery, in farming, tourism, resorts or forestry. These are proud people who want to remain in their own region.

Canada is not only urban Canada or urban Quebec; it is rural Quebec, regional Canada, regional Quebec. That is the problem the minister should be solving with the money of the workers. He tells us candidly that he takes this money and puts it into other programs.

The problem is that, when workers pay their contributions, on their pay cheques, it says, "employment insurance contributions". This money was never paid over to the government for any other purpose. Today, as we speak, during the spring gaps, there are men and women who have a hard time making ends meet and get poorer by the day. Some self employed workers are not eligible for benefits. These are the families the Bloc Québécois has in mind, unlike the Liberal Party, which thinks only of taking this money and investing it elsewhere, although we know full well that it would be better to invest it in the EI plan, in the interests of the men, women and children who need it.

• (1650)

[English]

Hon. Stan Keyes: Mr. Speaker, I was pretty sure the member was sitting in his seat when I made my remarks, because the question relates directly to what I said in my speech. I am sure the hon. member heard it. Maybe it did not sink in.

We have made provisions to the EI program to address the very issues to which he is speaking. We have removed the clawback. We made improvements to the small weeks provisions so individuals who found themselves out of work could still go back to work and then augment their pay with EI benefits. It is there for them.

Supply

These are the constant adjustments to the program that the government has made time and time again. It listens to Canadians and makes adjustments to the program. Canadians are much happier because now the program fits some of those circumstances in which Canadians who are out of work find themselves.

We are prepared to do anything it takes to listen to Canadians and to make the adjustments necessary so Canadians get a fair response to their issues and particular problems in every region of the country, and it is working. Canadians have told us this time and time again, in the 1993 election, the 1997 election and the 2000 election. Whenever the next election happens to be, they will tell the government again that it is has done the right things for them and that they trust the government to ensure an EI program will there for them tomorrow.

I am not quite sure if the EI program will be there tomorrow, if the hon. opposition leader is put in charge of the country. He is not too fond of programs that help disadvantaged Canadians or Canadians who find themselves at a disadvantage because they do not live in the big city of Toronto, or Montreal, or Quebec City or Vancouver where everybody can look around.

I will just end by saying the government is doing a terrific job on this file. Canadians support us. I am certain Canadians will say that the government knows what it is doing and that it will be there for them in the future.

[Translation]

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, I want to congratulate all my hon. colleagues who have spoken today. This is an issue that has already rallied unanimous support from all political parties in this House. I get the feeling today that the tide has turned, and that the will expressed in 2001, when the committee sat and presented 17 unanimous recommendations, is no longer there.

I have been in this place since 1993. I too was sent here by my constituents in 1993, and again in 1997 and 2000. That must mean that we are doing a good job. I have colleagues here whose path has been similar to mine and who are seeking a fourth term because our constituents want us to do so to represent them in this House of Commons. It think that is because the Bloc Québécois is doing a fine job.

In committee, it is not easy to achieve unanimity on a report. I know because I have been sitting on committees for ten years. It is difficult for all the parties to come to an agreement on recommendations. That is why I believe that the work of this committee and its 17 recommendations—I will come back later to specific recommendations—deserve respect and consideration.

The report was tabled three years ago. As is often the case, reports tabled in this Parliament are simply shelved. My impression is that this one has been gathering dust for three years. We have been waiting three years and no response has come.

Supply

Earlier, I heard the minister talk about self-employed workers. If we take no initiatives, nothing will ever happen. There does exist an association of self-employed workers in Quebec. Of course, self-employed people do not all work in the same field. There are some in fisheries and some in other industries. They would be ready to have a plan. But it could not be an across the board plan. Their jobs vary widely in nature and origin. Therefore, any plan would need to be somewhat flexible.

Bear in mind that 17% of Quebecers are self-employed. That is quite a large number of people. They enjoy no protection whatsoever. If we bothered to set up a committee, to sit down and try to find solutions, I am sure we could help them and include them in the plan.

We have a surplus in the billions of dollars. That is where we have a problem because these billions of dollars are not being used to help self-employed workers.

I am looking at the figures. In 2001, only 39% of unemployed people received benefits compared to 60% in 1993. For women, it is 33%. Do you know why? Often women work part time and earn low wages. It is difficult for them to accumulate enough hours to get employment insurance. They are penalized.

For young people under the age of 25 it is even worse, it is 16%. Do you know why? Again, they need 920 hours of employment in order to qualify for employment insurance. Quite often it is impossible for them to accumulate enough hours at their first job. These young people end up on the street without work. They will take any other job they can get in order to live. If they do not find work, they end up on welfare. Imagine the situation. You are young, under 25 and on welfare. That is a nice start in life. Yet, while that young person is in between jobs, employment insurance could provide him with transitional income, but no, that idea gets ignored.

The Bloc Québécois has always been extremely close to workers and sensitive to their needs. We are not the only ones. The labour unions are very close to workers and we work together with them. There are groups we work with as well, such as the Sans-Chemise, who also do work in this area. They speak on behalf of all the unemployed. As members of the Bloc Québécois, we try to offer good solutions, possible solutions, because the government has money and a surplus.

• (1655)

There is a \$45.5 billion surplus we could use to help those people.

Let me talk about my riding, Laurentides, which is in the spring gap. I am experiencing that gap right now. The ski season is over and the summer season has not started yet so the people in the tourism industry are in limbo.

People come to see me. I do not know if the minister gets visitors in his Toronto riding but in Laurentides, people come to see me because they are in great distress. They are going through the spring gap and have no income. It is very difficult because in the tourism industry, people are paid minimum salary. They are also trying to accumulate a given number of hours. So they work for very long hours when there is work, in order to make it through the spring gap.

These citizens have no quality of life. The government could easily solve that problem because the solution was there in our recommendations; however there was not the will. That is why we introduced this motion today. We want the government to show the will to change things, but not bit by bit. We do not want a piecemeal approach. We do not want a cosmetic change, but a radical change. We want a real change. We do not want changes made with an election in mind. We do not want to see changes just because we are heading into an election and they have to come up with an announcement quickly to satisfy people, saying, "We are giving you this for now and we will give you more later". Meanwhile, nothing is happening. Nothing has happened since 2001. And now, the situation is getting worse.

I am willing to pay for insurance. I want to negotiate it and I want to be able to choose a good insurance policy. However, I want something in return. If my house is destroyed by fire, I hope that my insurance is going to reimburse me, because I paid my premiums. Employment insurance is no longer insurance. It is an investment for the Liberal government. It is money that we send to the government, which takes the surplus to invest where it wants, instead of putting it into the employment insurance fund. That is the reason why we asked for an independent fund so that if there is a surplus, it could be reinvested in the fund and we could find solutions for self-employed workers.

I will give an example of a measure that we could take and which is not costly. I introduced in the House a bill to allow the preventive withdrawal of pregnant or nursing female workers. I am speaking about small amounts of money to allow women, in sectors under federal jurisdiction, to avail themselves of a maternity leave equivalent to what is offered in Quebec. This has been offered in Quebec for years. It is not a very costly initiative. We worked out the costs. When we come up with recommendations, do not think that we do not work out the costs. We do not just turn up with any old thing.

In fact, if there is a consensus, you can be certain that people have done the math. If we had a surplus in a independent fund, we could take part of it to help women. Giving birth to a child should be the most beautiful event in the life of a woman.

If people have financial problems, they cannot avail themselves of a preventive withdrawal, even if their own health and the health of their baby is in danger.

I was on board a plane leaving Montreal for France and I spoke to a young flight attendant. She was six months pregnant. I told her, "You are pregnant and as far as I can see, it won't be long before you give birth". When I asked her how far along she was, she told me that she was six months pregnant. I asked her why she did not avail herself of preventive withdrawal. She answered: "Madam, I cannot do that because I work in a company under federal jurisdiction. If I avail myself of preventive withdrawal, I receive only 50% of my salary. If ever I needed money, it is now".

This is a very small initiative. It has been talked about in this place for years and I myself have been talking about it for the last 10 years.

This measure is still in limbo somewhere and we are still waiting. We are presented with resounding studies but we are told that such a thing is not possible. With an independent employment insurance fund, any surplus could be reinvested for the benefit of workers, which is not the currently the case.

● (1700)

Fortunately, the Bloc Québécois is here to introduce bills that are in the interest of workers. Otherwise, no one would speak on their behalf in this place. Apart from us, no one else brings up these issues, except for the NDP. There seems to be no interest on the government side for measures designed to benefit workers.

One of my colleagues introduced a bill against psychological harassment. It was rejected out of hand. One time, after a speech I made here on the same subject, as I was walking down the hall, a woman who works here came up to me and told me she had cried as she heard me speak because she herself had been harassed for two years at one point.

There are initiatives that need to be taken in this House. However, the will is lacking. We would like to see these 17 recommendations adopted. They have just been sitting there, gathering dust for three years.

There is a surplus in the EI fund. The government has a surplus. This year it is up to \$3.5 billion or \$4 billion. With that money, we could do the right things, things which would benefit the unemployed.

As for regions, my colleague from Charlevoix brought forward a motion dealing with certain measures that could be taken to help seasonal workers, among others. But the motion was defeated. If they always vote against such measures, how can they assure those of us who have been fighting for this for ten years that they will make changes because of the upcoming election?

That is not a realistic and honest way to do things. We must put forward real measures and not make promises during an election campaign, and forget all about them after. That is what happened in 2000. Big promises were made, but they were broken. This time around, they should make promises that they can realistically keep. We believe that it is possible.

The program for the elderly is also important. We have discovered what happened with the Guaranteed Income Supplement, and we have worked hard on this issue. Adjustments were made, but it was not enough. They do not want the legislation to be retroactive. That would affect the poorest in our society, and they do not want to give it to them even if they have incredible surpluses.

We keep saying how great a country Canada is, but making the Canadians poorer does not help this country. Poorer Canadians end up with health problems, and health care costs go up. Why is that? We harm our society when we make it poorer. In the meantime, the government is piling up money and setting up megadepartments. This cannot go on forever.

Supply

We need to be more realistic and go back to basics. We should make sure our recommendations are implemented quickly. Otherwise, we will be left once more with empty promises.

One thing I can tell you is that the people are fed up with this. Great promises are not funny anymore. When they have a problem with the employment insurance program and come to us, we try to help them, but we cannot always do it. Just 33% of women and 44% of men can get EI benefits. We are their last chance.

When we cannot help them, we tell them that the decisions are not up to us, but to the government. We make suggestions, but they are ignored. We have to explain that.

We tell them they need to make representations to have the rules changed and make sure that, when they contribute, they can get benefits if they need them. Nobody sets out to be unemployed. It just happens. I do not know too many people who lose their job on purpose.

In seasonal industries, people lose their jobs all the time. All of the workers know they will experience what is called the gap. Let us try to help low-income families go through these difficult times.

● (1705)

I know of couples where both spouses work in the tourist industry. They make \$7 or \$7.50 an hour. They can work 60 hours a week at peak times. However, when things slow down, they have a hard time. Then, people are laid off.

I know some employers who make considerable efforts to keep their employees as long as possible, trying not to harm them and not to condemn them to poverty so that they can keep on feeding their children, paying their rent and making their car payments. In an area like the one I live in, everybody needs a car. Some employers are doing all they can to help. However, it is still difficult.

With just a little bit of goodwill, we could easily solve this problem here. You could have the full support of the Bloc Québécois. However, it has to be a real solution. Empty promises and half measures introduced as a temporary solution just before election time are not acceptable. We need real and sustainable measures. We can also sit down and look at the way things are done. We have never said that things are cast in stone.

My colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques sat on this committee and worked on this report. He spent many hours on this. We all saw him at work. He really tried, with all the colleagues here in the House, from all parties, to propose measures to improve the situation of workers with regard to employment insurance. It is a reform in which he believes. He used to believe in it and still does.

Supply

I wish that we would really take this into account and move this cause forward. We must put an end to partisanship. This is about the life of workers who, at some point in time, find themselves in a difficult situation and need employment insurance. We do not have the right to penalize these people. We must help them to make it through. I wish that we would be more sensitive. We must get out of Parliament, go in the field to see our people and realize that we have things to change, especially when we know that we have billions of dollars in surpluses in our pockets and that we are putting that money elsewhere instead of helping these people in need.

• (1710)

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): Mr. Speaker, first, I would like to commend my colleague, the member for Laurentides, who will be, I believe, I am even sure, the future member for Rivière-du-Nord. Indeed, she will have a new riding that will be called Rivière-du-Nord.

I see that my colleague knows quite well the problems that are directly related to unemployment and seasonal work. In her region, the majority of workers are seasonal workers in tourism, ski resorts and other sectors. However, there is an issue that my colleague forgot to talk about. In her riding, as in mine, there are not many large industries. There is a huge number of self-employed workers who have to fend for themselves. I would like to know if my colleague has solutions for these self-employed workers who are not eligible for employment insurance.

Ms. Monique Guay: Mr. Speaker, I thank my colleague for his question. I know there are self-employed workers and seasonal industries in his riding. We share the same concerns.

It is very simple. Workers have to sit down together. We have to be able to create a committee that will study their situation. I am convinced of that.

There already is such a committee in Quebec. We should find out if other provinces have similar committees. In Quebec, this committee could expand in order to allow self-employed workers to sit and try to find solutions about their employment insurance premiums, since this is what is missing. They should be covered by some rules, like other unemployed workers, in order to eventually claim benefits if they become unemployed.

It must be explained that a self-employed worker is his own employer. He does his work alone. Self-employed workers are often contractual workers who may at times find themselves without contracts. When that happens, they have nothing ahead of them.

When business is slow or when they go through difficulties, if they have been contributing to an employment insurance plan and they meet the eligibility criteria, as anyone else has to, they could claim benefits.

I am convinced that those people are ready to sit together to deal with that. This industry is diverse. We should get together and try to find a solution for them. The solution could be establishing small groups. Considering the fact that the industry is diverse, each group might have its own rules. Nevertheless, it is possible to find a solution.

What is missing here is the will to act. In this case it is not important. In our case, however, self-employed workers represent

17% of the population and it is increasing. We are very concerned about that. It is high time we looked at the situation of self-employed workers and found solutions for them.

• (1715)

Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), Lib.): Mr. Speaker, I know that the member shares my concerns regarding women and female workers. On that point, there is no doubt. We both want to make sure that government programs meet the needs of female workers.

We also know that nowadays women make other choices in life. They want to spend more time with their family. They want to make sure they are still entitled to certain benefits and advantages.

For instance, we have increased parental leave to one year and extended it to men. This is a benefit made possible thanks to their contribution and thanks to the programs put in place by the government. I do not believe that anybody would disagree with that.

We also know that often women choose to work part-time. Currently, 55% of women are eligible, a rate higher than that of men in part-time jobs, which is 41%. The eligibility rate is higher for women than for men.

One thing that I feel very strongly about was not mentioned. I presented a motion, seconded by my colleague, regarding the family income supplement. Now, 80% of low income families are entitled to it.

We are still pursuing our efforts. This is the kind of things we are probably saying on both sides. We look at how EI can help people whose family situation is changing or whose job situation is changing. Nobody on this side is opposed to benefits meeting continuously changing needs.

I would like ask a question of the member. In view of the fact that the labour market is evolving, in view of the fact that the options available to part-time workers are probably better for some workers, and in view of the fact that the EI eligibility rate is greater for women, would she not agree that we have taken steps to ensure that more part-time workers are covered by EI?

Ms. Monique Guay: Mr. Speaker, while I recognize the social conscience of my colleague over the way, it is too little, too late.

As the hon. member is aware, women are still discriminated against when they return to the work force. Things still need changing. Not one of the 17 recommendations made to the committee in 2001 is to be found; not a single one has been implemented. I said too little, too late, because it is not enough.

There are still so many things that have to be improved, and my speech has listed them. The member was there and heard the list. It is true that some minor measures have been implemented, but they are not sufficient.

When we see the surplus in the EI fund and what could be done with it, we see that action could be taken quickly. Several of these measures could be applied immediately, and I am sure the hon. member is as aware of that as I am.

We on this side would like to see the matter settled, would like to see action taken, the recommendations implemented. The purpose of our motion was to initiate a debate, have the recommendations re-examined, and an attempt made to implement them.

It is not true that it cannot be done. It can be done, but it must not be done to win votes. It must not become part of anyone's campaign platform.

What is disturbing just now is the prospect of all those fine promises and then nothing coming of them. I do not know when the election will be held, but if it is June 28, then from that time on no one will remember the fine promises made. What I would like to see is concrete action and fast action, not just promises of pie in the sky.

We have heard empty promises in three election campaigns in a row now. This time the actions ought perhaps to come before the election, so as to make sure that what was promised to people during the last campaign at least gets accomplished during this mandate. As a result, the jobless could at least keep their pride, and when they are unemployed will have access to the protection of real insurance.

* * *

• (1720)

[English]

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed a bill, to which the concurrence of this House is desired.

* * *

[Translation]

SUPPLY

ALLOTTED DAY—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

Mr. Claude Duplain (Portneuf, Lib.): Mr. Speaker, I am pleased to be speaking this afternoon. Given that what we say is often misinterpreted here, let me say at the outset that I will be speaking about the report entitled “Beyond Bill C-2.” This is not to say that everything has been done and that there is no more to do. I would be the first to say that a lot remains to be done and it so happens that we are presently at work on a number of issues in this regard.

I am nevertheless pleased to have the opportunity to speak to the issue of employment insurance, specially with regard to the report entitled “Beyond Bill C-2.”

Supply

I will read some brief notes to make sure people are properly informed. It must be said in fact that information given or discussed here is sometimes so skewed, so misinterpreted, that people may be somewhat baffled as to what is going on here.

This government greatly appreciates the work of the Standing committee on Human resource development and has examined carefully the recommendations contained in the committee's report. We have always been willing to change to meet the need, as we have shown time and time again with regard to employment insurance.

However, at the outset, I think it is important to mention that the employment insurance program is working for a majority of Canadians. It is there for people who need it and it will remain in place, as it has for 60 years.

Employment insurance is a reliable program that is meeting the needs of Canadians. In times of economic uncertainty, workers can count on employment insurance to help them re-enter the labour force.

It is also a flexible program. Of course, certain regions and certain groups of workers—those we have been talking about these past few weeks—such as seasonal workers, can have to face special challenges on the labour market, which is not always easy. The establishment of employment insurance economic regions ensures that the employment insurance program takes into account the high unemployment levels in some parts of the country, so that all workers have equal access to the program.

The present government has pursued a flexible approach to adjust the employment insurance economic regions in such a way that the workers living in parts of the country where work is mainly seasonal can continue to collect employment insurance benefits.

Let me give a few examples. Workers in the Lower St. Lawrence and North Shore area of Quebec need 70 hours less than do workers in areas with low unemployment to qualify for EI benefits.

The plan has been designed to adjust quickly and automatically to changes in the labour market. The variable entrance requirement is reviewed every four weeks on the basis of the latest unemployment statistics. In other words, if unemployment goes up in any area, the requirements are automatically adjusted to permit easier access to the program. Therefore, people in areas with higher unemployment need fewer hours of work to be entitled to benefits over an extended period of time.

Access to EI is easy. The Monitoring and Assessment Report indicates that 88% of Canadians who are salaried employees could eventually be eligible if they lost their job.

Moreover, the switch in 1996 to an hour-based system and first dollar coverage means that each hour of work is included in the EI coverage. This change has meant easier access to the plan for seasonal workers, part-time workers and those with multiple jobs.

Supply

The employment insurance is a system that is in constant evolution. When we adopted the EI reform in 1996, we made a commitment to control and evaluate the system. We have kept our word. We were and still are committed to ensuring that EI continues to serve the needs of all Canadians. Whenever changes were justified, we have made them.

Since the EI reform, we have made various adjustments, including the improved parental benefits and the integration of the small weeks provision which is now permanently included in the employment insurance system and applied nationwide.

• (1725)

There is also the abolition of the intensity rule, the change to the payback provisions, changes to the rule on undeclared earnings, the introduction this year of a new six-week compassionate benefit for eligible workers who will be looking after a seriously ill parent, child or spouse.

Many of these adjustments were brought specifically in response to the needs of seasonal workers, part-time workers and multiple job holders.

The passage of Bill C-2 illustrates the adaptability of the EI program. This bill speaks to the day to day realities of Canadians.

For example, the intensity rule was designed to discourage the use of employment insurance from one year to the next. We realize that this rule was ineffective and, frankly, punitive; so we abolished it. Seasonal workers were often among these recipients that the intensity rule was affecting. Over 900,000 Canadians received retroactive payments following the abolition of this rule.

We also changed the rule relating to people returning to the workforce. Recipients who leave the workforce and re-enter it are often parents who must balance professional and family responsibilities. Before Bill C-2, these people were considered as new entrants in the workforce, which meant that they had to accumulate more insurable hours of work before being eligible for benefits. Now, parents are eligible for regular benefits, as other workers, when they re-enter the workforce after an extended absence during which they were raising their children.

On the most important measures that the government has taken since the EI reform to respond to the concerns of seasonal workers is the small weeks initiative.

Since it came into effect, this initiative has made the workforce more effective by encouraging Canadians to accept part-time and temporary work, which has helped to make up for short-term manpower shortages that employers had to deal with, particularly in the seasonal employment sector.

The short week provision also helps part-time and seasonal workers to retain their connections with the job market. Our evaluation shows that claimants worked an average of two extra weeks. Across Canada, more than 185,000 Canadians benefited from the short week provision.

We have improved the short week characteristics to better harmonize them with the realities of job market. A combination of regular weeks and short weeks might reduce the rate of benefits the

next time a claim is made. By increasing the short week threshold from \$150 to \$225, we provide workers with greater flexibility to accept short weeks without a reduction in their future benefits rate.

These measures taken by the government clearly show that we intend to adjust employment insurance to the reality of the job market. We will continue to make the necessary changes.

That said, while it is important to understand the unique challenges faced by seasonal workers, it is equally critical to recognize that employment insurance is only a part of the solution. Canadians told us that they do not want to claim employment insurance benefits. They want to have jobs. The answer to that is to develop community capabilities and to strengthen local economies, in order to offer sustainable employment opportunities.

Our goal is to encourage Canadians to work and help them rejoin the workforce. True income security starts with a job. We established local committees in Quebec and in New Brunswick to consider ways to help workers affected in those regions. With our partners, we are pursuing several approaches to address the issues concerning seasonal workers, based on the recommendations made by local committees.

The employment insurance program is effective and is there to help workers in need. We continue to implement control and evaluation measures of the program to make sure that it continues to answer the needs of Canadians.

• (1730)

In conclusion, I will say that committees who travelled across Canada are still doing a lot of work to make a recommendation to bring new faces and to give an up-to-date picture of what is happening in the regions of Quebec and in all of Canada. We must bring about changes to make the situation even better.

Some opposition members say that we are delaying calling an election while others say that we want to call the elections too fast. I for one think that now is the time to help those in need in the regions of Quebec. They are expecting specific measures. I do want these measures to be taken.

We could do as the Bloc is asking and do an in-depth study of EI. We will not have time for that. The fact is that the changes must be made by regulation and we will not have time to make extensive changes. Things are being done however. We can act now while at the time taking a closer look at what could be done.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I listened to the previous speaker both with interest and in amazement. Let me start by the end.

Supply

How can someone say that we do not have time? We were elected three and a half years ago and the mandate of the government runs until the fall of 2005. If the government really wanted to change the EI plan, it could very well introduce a bill in the next few days and you could be sure that the Bloc would give its full cooperation to get the changes made. In fact, the report was tabled three years ago.

I would like to give some clarification to the hon. member because he does not seem to understand. There was a vote on Bill C-2. The report was tabled after Bill C-2 and included a recommendation approved by everybody, including the Liberal members, namely the member for Gaspé, a member from Laval, and the member for Madawaska—Restigouche, who said that Bill C-2 did not go far enough and that there were 17 other changes to make to the plan. Apparently, these were important changes. But the government did not follow through on the recommendations.

During those three years, the federal government accumulated a surplus of \$11 billion in employment insurance premiums. It collected \$11 billion more than it paid out in benefits. Could it not have taken half that money and given it to improve the situation of women, to eliminate discrimination between men and women and young people so that the same eligibility rules would apply to everyone? Could it not have set up a program to help older workers? Could it not have improved the situation of seasonal workers? No. It preferred to squirrel away the \$11 billion taken out of the pockets of some of society's most disadvantaged.

Should, finally, our colleague not realize that what we have on the table are unanimous recommendations? These recommendations were made three years ago and the government has not followed up.

Why not wait until the Employment Insurance Act is voted on before holding an election? I think that would be the best move this House could make in order to restore some balance, distributing wealth, rather than sharing poverty as has been the case. In a period of very rapid economic growth, the gap between rich and poor has grown as well, which is absolutely unacceptable.

How can the member defend this position, which stands in opposition to that of his own Liberal colleagues who were members of the committee?

Mr. Claude Duplain: Mr. Speaker, I am sometimes at a loss for where to start. The Bloc Québécois will never form a government. Bloc members can therefore afford to say any odd thing, make any odd statements, whenever they feel like it, because they will never have to be accountable.

Those who say that anything can be done turn a blind eye to the time and money involved. They do not even bother to check the rules to see if indeed it can be done. They accuse us of not doing enough, of not acting. One need only look at how much energy we on this side are putting into our work, looking for solutions to specific problems.

The Minister of Industry was here this afternoon. She is working. Does anyone think that the minister has nothing better to do than sit here all afternoon? Some ministers work seven days a week on finding solutions. We have three ministers working back here, in the lobby, this afternoon, while half of the Bloc members have left already. They are on holiday.

Mr. Benoît Sauvageau: I rise on a point of order, Mr. Speaker.

• (1735)

The Deputy Speaker: Order, please. If the hon. member for Repentigny does not mind, the Chair would have a comment to make. If it does not address the hon. member's concern, it can then be addressed.

First, I wish to remind the hon. members that mentioning the presence of a minister or member is allowed, but mentioning the absence of a member is not. Is that clear? Those are the rules.

An hon. member: Go to the penalty bench.

The Deputy Speaker: We do not have a penalty bench. This is just a reminder to ask for the cooperation of the hon. members in sticking to the rules.

The hon. member for Portneuf.

Mr. Claude Duplain: Mr. Speaker, I know how to apologize when I have made a mistake. I am sorry for having said that some Bloc members had already left on vacation. When I get slapped on the wrist and it is justified, I have no problem with that.

Mr. Benoît Sauvageau: Mr. Speaker, I rise on a point of order. Since there is no penalty box, you cannot put the member for Portneuf in the box as you would like to. However, if we want start playing count-the-number-of-MPs-on-vacation, I would accept the hon. member's challenge. Proportionally, if we add the number of Bloc members who are absent from the House compared to the number of members—

The Deputy Speaker: Order please. For the second time, and I hope it will be the last, we understand why we have this rule. We understand that the members on both sides of the House are concerned about all kinds of matters and work. I am not intervening in favour of one party or another. I do not want to continue down this path. I do not want there to be any more discussion on anyone who is absent today or for a longer period of time. I hope this is understood.

We will resume the debate on the issue being debated today. The hon. member for Portneuf.

Mr. Claude Duplain: Mr. Speaker, I want to apologize once again for saying things that I should not have said. I apologize to the Bloc members. There is nothing wrong with that. Sometimes, we lose control because things are construed in so many different ways.

Just a while ago, a member said that we do nothing for elderly people. As far as I know, we have launched a pilot program to find solutions in that area. We are taking different measures like that. This is the type of thing we are working on.

An interim report will shortly be delivered to the Prime Minister and the minister responsible for employment insurance. Certain things will be done as has been said. We must find real solutions to a very real problem, in accordance with a plan for standards and legislations.

Supply

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, all stakeholders say that only 4 out of 10 unemployed people will receive employment insurance benefits. The member for Portneuf quoted the figure of 88%. I would like him to explain how he arrived at such a percentage.

Mr. Claude Duplain: Mr. Speaker, those figures are verifiable, and I can provide them to the honourable member so he can check them. They were provided by the department and, according to them, 88% of all Canadians would be eligible to EI if they needed it. Those are the figures provided and we are not afraid to show them. We are not afraid to tell those things.

Earlier, a Bloc member mentioned the possibility of regionalizing EI and he gave some examples from his region. Do you know that, overall, Quebec has drawn \$86 billion in EI benefits since 1980, while it collected \$73 billion? It is hard to believe that there is a deficit and that Quebec does not draw its fair share.

That does not include the \$600 million in benefits related to employment that Quebec gets every year. That is not included in those figures. Do you realize how much money Quebec gets? But that does not mean we condone what is going on now. We now have a specific problem on the Lower North Shore and elsewhere.

I went there, I met people and I wanted to explain to them what we were doing. Just to show you how discussions can sometimes be difficult, I recall very vividly that the Sans-Chemise came here recently. The Bloc proposed a motion which was rejected, because initiatives are being taken to resolve the problem.

I went to talk to the Sans-Chemise to inform them of what we were doing. It seems to me that when one wants to put in place new criteria, new standards or new measures, one is willing to discuss. As I was talking to these people, members from the Bloc arrived and accused us of being liars, stirring up people against me. They all left. It was sheer arrogance, when I wanted to sit down with them and discuss peacefully what we were doing. I was brought up to do that. It might not be the same thing for them, but that is what I was brought up to do.

I was happy to hear the previous speaker say a moment ago that she was ready to sit down and talk. It would be good if all Bloc members could do that so that we could find solutions.

• (1740)

[*English*]

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, I wonder if the member agrees that some people who have to pay employment insurance premiums, such as self-employed workers and farmers who work off farm, can never apply for employment insurance. It seems to me that something should be done about that.

We also have people who are self-employed and sometimes find themselves having to work off the farm in other areas. Would the member agree that something should be done to fix that? It seems unfair to me that people who have to pay premiums never have the opportunity to collect employment insurance.

[*Translation*]

Mr. Claude Duplain: Mr. Speaker, as far as the issue of the self-employed is concerned, I must point out that, at the request of the

Prime Minister, I was part of the Task Force on Women Entrepreneurs, which went around the country in order to report on the situation of women entrepreneurs.

I know perfectly well what the self-employed are faced with. I am the first in this government to defend the idea that we must take a position to help them. Which one exactly? I would not be able to tell you tomorrow morning, because this is something the whole government must decide.

However, I am the first to promote the fact that for self-employed workers, we must absolutely find a solution, because more and more, they wield economic power in Canada, and it is really important. We have to look out for them, because they can often find themselves in very difficult situations.

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, for starters, please allow me to clarify something since the member for Portneuf has not had an easy time explaining to me how he found this 80%. My explanation is volunteered in an effort to please him as well as to broaden his knowledge

Those 88% he is referring to are people who qualify for EI benefits. Therefore, they have worked the required amount of hours or weeks and meet all requirements. Therefore, 88% of the people meeting 100% of the requirements obtain EI benefits.

Why 88% and not 100%? My colleague for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques has just explained this to me so that I could pass on the best information possible to the member for Portneuf. The fact is that some people do not have to go as far as receiving their first EI cheque, either because they have found a job, because they are ill, or because they have decided to no longer be unemployed, to no longer be part of this system.

However, for the benefit of my colleague from Portneuf who, I can see, is listening intently to what I am telling him about the 88%, only four persons out of ten who pay employment insurance premiums actually get employment insurance benefits when they need them. Consequently, that is how the difference between the 40% and the 88% can be explained.

So when he has to answer questions on this or when he makes more speeches in the House on this subject, he will know what to say.

I invite him, if he does not agree, to rise in his place and speak to this issue. Since he is not rising, I have to conclude that he agrees with me on what I just said.

Some hon. members: Oh, oh.

Mr. Benoît Sauvageau: Mr. Speaker, there is some bad-mouthing going on in the House about the hon. member for Portneuf. I will not tell you what I heard. All I will say is that after the next election, he will be on vacation for a long time. However, I will not say what he is doing today.

Supply

I will now remind the House of the motion before us today for this opposition day. It is important that we begin by setting out the main subject of our debate. It is as follows:

That, in the opinion of this House, the government should propose, before the dissolution of the House, an employment insurance reform along the lines of the 17 recommendations contained in the unanimous report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled "Beyond Bill C-2: A Review of Other Proposals to Reform Employment Insurance".

What the Bloc Québécois is recommending today is what we have recommended many times since May 2001, and what has been recommended outright when the report was tabled in May 2001, that is an in-depth reform of the Employment Insurance Act and particularly of those parts of the act that penalize contributors to the plan.

For the benefit of the hon. member for Portneuf in particular, and also for all the people who are listening at home, I will explain how we come up with a committee report that contains 17 unanimous recommendations. First of all, the chair of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities is usually a Liberal. That committee is chaired by somebody appointed by the Prime Minister.

The vice-chair is also a Liberal, and more often than not—and it is okay, I am not being critical here—it is the minister's parliamentary secretary. This person then gives his or her colleagues the information on what will be going on. The majority of the members of the committee represent the governing party, the Liberals.

Therefore, the chair is a Liberal, one of the two vice-chairs is a Liberal and more often than not the parliamentary secretary representing the minister at the committee, and most of the members are from the Liberal Party.

• (1745)

The Bloc Québécois was there, the Conservative Party was there, and also the NDP. After two or three months of discussions, evidence, research and expertise, the committee submitted a unanimous report.

For the benefit of the hon. member for Portneuf, a unanimous report means that everyone agreed on it. I should add, again for the benefit of the hon. member for Portneuf, that when a report is unanimous and when everyone agrees on it, this means that the Liberals also agreed. They signed the report, along with the other members of the committee. As regards recommendation No. 1, for example, which seeks to end discrimination toward young unemployed individuals, women and new entrants in the employment insurance program, I should point out, for the benefit of the hon. member for Portneuf, that the Liberals agreed with this recommendation. They signed the report after two or three months of work.

The minister was aware of this, because his or her parliamentary secretary was present. Therefore, cabinet was aware. Indeed, and I say this for the benefit of the hon. member for Portneuf, committees do not meet in secret. They send notices. Their meetings are even open to the public. There are committee proceedings and minutes. After hearing witnesses and after examining the issue, the committee produced a unanimous report which says in recommendation No. 1, for example, that we should end discrimination toward young

people, women and new entrants in the employment insurance program.

Now, we are asking the members who signed this report if they want to vote accordingly. They are telling us no. They do not agree. They want to review the issue because it is important. They promised to do so in 2000, during the election campaign. They made recommendations in 2001 after reviewing the issue, but now they are not prepared to vote to support these recommendations.

This is what we object to. The Prime Minister talks about democratic deficit. The same Prime Minister told Canadians, in a news release dated March 18, 2004, and I quote:

This government places great importance on hearing from those lives that are directly impacted by our policies, including our seasonal workers. Our Caucus has been extremely active in making the sector's opinions known, and will continue to play an important role in further examining those views.

This was a news release signed by the Prime Minister on March 18.

Thirteen days later, this same Prime Minister voted against a motion and with him an overwhelming majority of Liberal members from Quebec, including the member for Portneuf. This motion asked that a specific status be established for seasonal workers, regardless of the EI economic area in which they live.

So we were saying that the Prime Minister had made a promise. The Liberals signed a report. Can they now officialize it? When you promise something, when you sign a report to confirm a promise or a commitment, when you go back to the people to say that you applaud such a measure but ask for a little bit more, we say you should make good on your word and put the issue to a vote in the House. Now, they tell us they are not ready to do that.

This is what we object to. Therefore I wish to tell the member for Portneuf about the existence of the Standing Committee on Human Resources Development, about the existence of a unanimous report and about the fact that this report got the unanimous support of Liberal members. I believe it is important that the member for Portneuf be made aware of those facts before making any more speeches and answering our questions.

Another recommendation of this unanimous report—therefore a report which got the support of the Liberals—was to extend benefit periods in order to avoid the spring gap. This was recommendation No. 3. Since 2001, nothing has been done about the spring gap. The report also talked about implementing specific measures for older workers. Those measures were obviously less generous than the POWA program, but they were still better than the present situation. This was recommendation No. 4.

Recommendations Nos. 8 and 9 talked about the possibility of extending the program to self-employed workers. I am happy to hear that the member for Portneuf agreed with that earlier. I am also convinced that if the motion were introduced today and put to a vote, the hon. member might vote against it, even though he said he was in favour.

• (1750)

Recommendation 16 talks about increasing the amount of benefits by changing the calculation formula.

Supply

That is how we, including the Liberals, unanimously agreed to improve the EI benefits scheme.

Why should it be improved? That has been explained very well by my colleagues who spoke today, especially my colleagues from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques and Rimouski—Neigette-et-la-Mitis, who is our critic on this file.

Everybody recognizes that the situation is desperate, especially for seasonal workers and people living in the regions. Everybody recognizes that. However, it is not true only of people living in the regions.

We looked at the results of a study conducted by the CLC, the Canadian Labour Congress. For the benefit of my colleague for Portneuf, the first C stands for Canadian. This study was not done by the Parti Québécois, the Société Saint-Jean-Baptiste or sovereignists. The first C stands for Canadian, I want to stress that point.

According to the CLC study, between 1993 and 2001, losses linked to the tightening up of EI eligibility standards were in the order of \$3 billion a year in Quebec. If you divide that number by the 75 ridings in Quebec, the shortfall is around \$40 million a year per riding.

This shortfall calculated by the CLC—and I repeat for my colleague from Portneuf that the first C stands for Canadian—represents a shortfall not only for the unemployed, but also for the regions. The unemployed do not invest their benefits in Barbados, they put that money directly back into the local economy. Surpluses generated by the EI plan on the back of the regions are put into the consolidated revenue fund, not into the regions.

My riding, Repentigny, is not in a remote area; it is in the suburbs of Montreal. People in Repentigny are not faced with the serious problem caused by the spring gap or the serious problem in the seasonal sectors, as a whole. Some of them, yes, but not across the board.

In spite of that, according to the CLC, since 1993, since the tightening up of the employment insurance scheme, the shortfall in the riding of Repentigny has been \$47 million a year for eight years, or \$376 million. In the riding of Repentigny, the unemployed, who unfortunately are in a special situation, have been deprived of that money over the past eight years. That has had an impact on the local economy. I remind my colleague the member for Portneuf that that is according to a study conducted by the Canadian Labour Congress.

I think I have been pretty clear about the importance of implementing decisions that have been accepted unanimously, including by the Liberals. Once again, with an election campaign looming, the Liberals are promising to look into it, to think about it, and to eventually move forward and create a committee.

I made a joking comment a while ago to my colleague from Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques. It is just a joke, I have no wish to offend any religious groups. What I said was that God created the world in six days. Before the seventh day, He created a committee, and it took another three billion years before Man and Woman appeared. When the Liberals promise us a committee, I really wonder when we will see a response to this

question, particularly since that committee will be made up of nothing but Liberals. I hope they will be signing a unanimous report.

For the benefit of my colleague for Portneuf, if the committee is comprised solely of Liberals, and if they all sign the report, then it will be really unanimous. If that report is then voted on here in the House, and they vote against it, then there will really be some problems. I just wanted to point out to him that there will be no separatists on such a committee.

Today, with an election looming, why the concern about these promises?

• (1755)

There is concern because during the last election campaign, two minor players, among others, formally promised workers they would reform the Employment Insurance Act. I will name only two members, former minister Alfonso Gagliano, who was more concerned about the sponsorships and all that, but who nonetheless could occasionally talk about other things, and our colleague from Bourassa. Again, if my colleague from Bourassa says he did not say that then he needs to inform the House.

This promise had been made on the North Shore and in the Gaspé in the weeks leading up to the election. Now that we think the election might be called tomorrow, there is no talk of the promises that were made this week. Talk is about the promises made before the last election, in 2000, that still have not been kept.

The federal government has never come through on this promise except to pass a bill that was tabled before the dissolution of the House. In fact, it was this bill that made construction workers so angry in that it did not address the main flaws in the program.

Consequently, this is the aspect on which the Bloc Québécois humbly proposes that the Liberals honour their signatures on a report in which there were 17 recommendations aimed at correcting a distressing situation for workers, for women and youth, and for older workers who lose their jobs.

Thus, we ask the Liberals who made a commitment to the POWA program, who made a commitment to independent workers, who signed, who promised and who said that they were going to reform employment insurance, to keep their word, quite simply. We offer them an opportunity to honour their signatures and, in turn, we will accept only the recommendations they made.

In conclusion, I have a little anecdote about the people who, at the time, were called Alliances or Reformists, or something like that. Nevertheless, the former Alliance members, the new Conservatives, quoted verbatim the Liberal's 1993 red book about the ethics counsellor. They copied from the Liberal Party's 1993 red book, in quotation marks, a text that went something like this, "We promise to appoint an independent ethics counsellor in the House of Commons," or something like that. I do not know the 1993 red book by heart—it was not my bedtime reading—but I remember that this promise was in the red book. Consequently, the people who are now the Conservatives took verbatim what was in the red book and submitted it to the House.

Supply

For the benefit of the hon. member for Portneuf, the red book was written by Liberals, nothing but Liberals. It was not even a unanimous committee that wrote it; it was only Liberals. Are you surprised, Mr. Speaker, to learn that the Liberals voted it down?

In terms of democratic deficit and lack of respect of the public for politicians, the very best example is to take a promise out of the red book, put it forward to Liberal members and watch them vote against their own commitments.

Today, however, after listening to my colleagues from the Bloc Québécois, I can say that this is the same kind of situation where we tell the Liberals, "You made commitments. You took some concrete action. What we are asking now is that you deliver on your promises. Vote on this motion. Let us make it votable".

That having been said, I seek the unanimous consent of the House to make this motion put forward by the Bloc Québécois today votable.

• (1800)

The Deputy Speaker: Does the hon. member for Repentigny have the consent of the House to move this motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Benoît Sauvageau: Mr. Speaker, you cannot imagine how surprised I am to hear that no. I was so convinced that, at the end of this whole day of debate, they would say: "We have heard you and you are right: we should keep our promise and meet our commitments".

To my great surprise, they listened to us, but did not hear us. Or, if they heard and listened, they did not understand. It is a total surprise to discover that Liberals will not make the recommendations they signed and the commitments they made official.

For that reason, people will know; in the Portneuf riding and in all the ridings in more remote areas. On the Lower North Shore and in the Gaspé Peninsula, people will no longer be naive and will no longer believe promises like those that were made the week before the election in 2000, when they said: "Vote for us and do not worry, we will change the Employment Insurance Act".

Why will people no longer believe the Liberals? Because the Liberals vote against their own red book promises and are now voting against commitments they made themselves in a unanimous report.

That is why I am sure, as my colleague the member for Portneuf said earlier, that several Liberals will be going on vacation after the next election.

Mr. Claude Duplain (Portneuf, Lib.): Mr. Speaker, I am rising to speak, but not in answer to the member for Repentigny. It is not even worth my while. When I spoke earlier, I said clearly that I was doing so to explain exactly what we had done and not to defend the present state of things and say that all is well in the best of worlds. Rather, I will speak in answer to an earlier question of his and let him take it from there.

As you see, it takes but an utterance and you see how our words can be misconstrued...

The Deputy Speaker: The member for Repentigny has the floor on a point of order.

Mr. Benoît Sauvageau: Mr. Speaker, earlier the member for Portneuf was not aware of the fact that he may not refer to the presence or the absence of any member. Now I would want to tell him that after a speech, when we are into questions or comments, he should not be giving answers to questions but rather asking questions.

He just told the House that he wants to answer the questions. Could he give me—

The Deputy Speaker: Order please. I think it is not at all unusual that a member wishes to begin his speech by answering a question asked earlier and finally asking himself a question. Let us wait. Let us be patient. We have 25 minutes left to let off steam and discuss the issue.

The hon. member for Portneuf.

• (1805)

Mr. Claude Duplain (Portneuf, Lib.): Actually, Mr. Speaker, I will neither debate nor let off steam. I have better to do than to accuse the hon. member or target him as he just did me.

During his speech, he must have said at least 10 to 15 times "to inform the member for Portneuf", as if we were morons, know nothing and they know everything. That's what makes their strength. This is what the member did all along his speech. I will let him go that way. If he wants to add to what he already said and go on, so be it but I have better things to do. As a matter of fact, instead of complaining, we are working on concrete things.

I will ask a question because he asked me a question earlier about the 88 per cent. I already had the information he previously gave me. However, did he know that the 88 per cent figure is part of a report which was tabled in the House in 1997 and which is about the control and evaluation of employment insurance? That is where the figure of 88 per cent comes from. Was he aware of the existence of that report?

This is the only question I have for him. If he wishes to go on ranting and raving, I will let him do so.

Mr. Benoît Sauvageau (Repentigny, BQ): Yes, Mr. Speaker.

Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Social Economy), Lib.): Mr. Speaker, on this side of the House, our approach to the EI issue is certainly different from that of our friends of the Bloc Québécois.

There is no denying there was a decrease in EI benefits. That was directly attributable to the strong labour market in Quebec. We know that. The more people work, the less they need to resort to EI.

We also know that the national unemployment rate fell from 4.1% to 3.5%. In Quebec, it decreased from 11.3% in 1996 to 8.5% in 2002-03. At the national level, it now stands at 7.6%

Supply

When the unemployment rate falls, we know that the number of hours of insurable employment required goes down at the same time, as more people work. On this side of the House, we want to encourage job creation. We do not want workers to need to resort to employment insurance. We want them to work. The credibility of this government on this issue is quite obvious, it seems to me. That's where we really try to help all workers.

I would like to go back to the figures that have been mentioned. The hon. member for Rimouski—Neigette-et-la Mitis talked about 40% and another member about 39%. The Canadian Labour Congress and other unions that appeared before the standing committee on human resources development mentioned other figures somewhere around 38%.

It has been said, and I repeat, that this includes all workers. It includes people who never worked or never contributed, former self-employed workers who did not contribute, and students. When we look at this in the broader picture, the figures of around 38%, 39% or 40% can be played with.

Many things have been said about young people and older workers. As far as I know, young people work during the summer and work a few hours during the school year. Of course, they contribute. That is the law. But they do not get benefits, because they are students for the rest of the year.

The statistics are the same. Some 30% of young workers are eligible. They are eligible, but they do not get benefits because they do not have the required number of hours.

As regards older workers, since this will be the last opportunity I have to talk about this issue, I must say that we launched pilot projects and have found that more and more older people are returning to the labour market. We are analyzing the data from those pilot projects and we will react to them.

As my colleague mentioned, the Prime Minister and the minister have said they are ready to react, following the recommendations of the Liberal task force, which conducted a quick study that nevertheless included the recommendations of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities—not because of the election campaign. We do not even know when the election will be called. They said they would react.

Each time a problem has come up, we have tried to amend the Employment Insurance Act and we will continue to do so.

I would like to look at the figures proposed by the Bloc member. Does he agree that figures can tell different stories and it all depends on the way we look at them?

• (1810)

Mr. Benoît Sauvageau: Mr. Speaker, the parliamentary secretary is partly right. When we are debating figures, we can indeed make them say many things. The Canadian Labour Congress has certain figures. The Liberals have their own. We like to use figures coming from the most independent sources. If we took a Bloc Quebecois report and compared it with our own, and if the result was 3% against 48%, I would probably suggest, in order to achieve some consensus on the issue, to scrap both studies, and to rely on an

independent one. Such a study would probably more closely reflect the reality.

That is why the studies referred to by the Bloc today are not internal studies made by our party, as are those of HRC that talk about an 88% rate. I believe there is a gap between the two, which must be explained and debated.

However, we do not need many figures when we travel to the Lower North Shore or the Gaspé. This is also true for other provinces. Unemployment does not exist only in Quebec, as if there were a wall and that reality did not exist on the other side. When we travel to the Maritimes, the Prairies and just about everywhere, there exists a reality that need not be expressed with figures. We visit people, we talk to them and we can see their distress. The situation is very obvious.

I will again engage into partisanship. It is so obvious that the member for Bourassa, former minister Gagliano, the Prime Minister, the member for LaSalle—Émard, and former Prime Minister Jean Chrétien made solemn commitments. They did not do this by mentioning figures and by saying that it was 38%, 39%, 52% or 56%. They said that there was a situation that had to be dealt with.

Immediately after the election, they decided, in order to fulfill their commitment and their promise, to set up an all-party committee, as is the custom in this House. That committee proposed 17 unanimous recommendations. Now, three years later, we are saying that the time has come to sound the alarm, and we are asking them to make good on their commitments and promises. The Liberals must respect their signatures on the unanimous report. Accept it and let us implement these 17 recommendations. That is all.

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, I thank you for giving me the opportunity to speak to this motion on employment insurance reform. This motion asks the government to implement all the recommendations in the report that go beyond Bill C-2, including those that will provide eligibility and increased benefits.

[*English*]

Since many of these would directly affect seasonal workers and the companies that employ seasonal workers, and the communities in which seasonal workers live, I would like to provide a little background on seasonal industries and the challenge they face so that we can better assess how this motion might impact them.

To begin with, this is a particularly important debate since it involves a key segment of the economy that does not always get the attention it should, namely seasonal employment. Seasonal work patterns can be found in most regions of the country, in most industries, and in most occupations.

The economic impact of seasonal work is even greater in some rural regions where seasonal industries often represent the main source of employment. In fact, as I was listening to my various colleagues, every one of them from different regions made sure they put the accent on seasonal work and the impact it has on their own communities.

Some industries rely much more heavily on seasonal work than other industries; for example, mining, forestry, agriculture, hunting and trapping, fisheries, oil and gas exploration, and certainly tourism. All these are vitally important sectors that provide employment for many Canadians. In fact, some would say, in naming these industries, a majority of Canadians.

Thus, seasonal industries have an economic impact far beyond their particular sector because of the additional economic activity performed by a myriad of companies serving them. All these companies, one way or another, contribute to our gross domestic product.

For example, in the forestry sector where the harvesting of trees, which is in itself a highly seasonal activity, provides raw materials for sawmills, pulp and paper, plywood, panel board plants, operations not all are seasonal. Really, the industry itself is far more permanent than some of the employment that constitutes its mainstay. For example, if forestry workers spend time in the forest on an off and on basis, given that logging only takes place at certain times of the year, that does not mean to say that the industry itself is not far more permanent in its scope and operates on a constant basis the whole year. However, for some segments of the workers in that particular industry, obviously they are greatly impacted because their work is purely done during certain periods of the year.

Workers in these companies are in turn served by community businesses which again are far more permanent businesses than the seasonal workers that are in the field at certain times of the year, but yet contribute to the general economy which itself is far more constant and permanent. For example, in a particular community grocery stores, dry cleaners, gas stations and restaurants, all these various industries depend on one community, a central industry, where a lot of workers in that main industry are seasonal workers themselves.

While many of these industries are part of what economists would call the service economy, this does not mean that they are neither technologically advanced nor innovative as shown by the ongoing process of change in which companies are using technology to radically transform their own operations. We can take the example of any major industry, and the same evolution and process of change is taking place at a tremendous rate, in some cases.

• (1815)

At the same time, seasonal industries, by their very nature, are often vulnerable to factors beyond their control: weather, crop conditions, diseases, and global market conditions. We have seen what has happened, for example, in the agricultural industry which employs a great number of seasonal workers. Certain conditions completely extraneous to the process itself have happened without the control of the industry itself and totally outside the control of governments or anybody else.

There is the whole question of the mad cow disease, droughts in the prairies, weather changes, and forest fires. Suddenly, there are all kinds of extraneous factors that could impact on the industry itself, especially seasonal workers who find themselves, from one season to the other or from one day or one month to the other, without any possibility of work because the type of work that they do requires

Supply

certain conditions which are totally impacted by conditions outside of their control.

All of these various exterior conditions such as weather, crop diseases, and global market conditions can create considerable fluctuations in supply and demand for products and in their costs. To respond to these challenges many companies have modernized their operations and diversified product lines. While these will create new opportunities for these various industries, modernization also displaces workers by reducing the number of seasonal jobs. This is why I put the accent on seasonal jobs which I feel are one of the elements of impact which are the greatest regarding employment generally.

The shift in business activity has also created problems for employers themselves for whom new technology, improved management capabilities, and the development of new products are obviously vital to success. These employers very often find themselves in the paradoxical situation of not being able to get the workers they need even in very high unemployment areas because the workers are not suited to the new technologies that are needed today to modernize industry. This really leads us to the crux of today's debate.

I think we all agree that this motion is well-intentioned. I do not think anybody is questioning the validity of the intent of the motion. The problem is that the focus of the debate is primarily on making it easier to collect EI and increasing benefits.

Instead, we should focus first, on a multi-faceted approach aimed at helping seasonal industries to cope with these new economic realities, some of which I have described. Certainly, the new technological world is changing employment totally. Second, we must ensure that seasonal workers get the education and skills upgrading needed to take advantage of alternative employment opportunities that might come along in a completely different type of industrial economy; and third, we must ensure that communities diversify the economic base as far as is possible.

I realize that this is not always easy, especially in rural areas. Rural areas might be less vulnerable to changes in any one industry or company.

Last year, for instance, I took part—with one of my colleagues, the regional economic minister at the time—in a really almost very sad and terrible circumstance in the fishing industry on the north coast. I became involved in that because most of the employees were English speaking and they wanted some people they could relate to in their own language. Some of them only spoke English. They were affected by the fact that the fishery was stopped in that area.

Supply

●(1820)

Suddenly, overnight they found themselves without any economic means of livelihood. Some of them could not even afford food to send with their children to school. It was a drastic situation where the Quebec government and the federal government cooperated in trying to find, overnight, some instant programs to try to fill the gap on an emergency basis to keep them in the support system, at the same time try to provide more long term alternative ways of skill building so that employment could be shifted from the basic and only employment they had, which was fishing, into various other types of livelihood, such as ecotourism, artisan work, wood crafts and so forth.

It is only through this kind of process, where we try to provide alternative skills and employment, that we will be able to target areas where there is one central industry, especially in outlying areas. Any peril or hardship to that industry has a tremendous economic and social impact on the area and affects the livelihood of people.

To create this, it is essential to listen to all the partners involved, such as the seasonal workers and their families who are the first impacted, the private sector, provincial and territorial governments, unions and community groups, to find out how we can best address the needs of workers in seasonal industries in their communities.

This is what we did on the north shore. We worked with the community base. We worked with volunteer groups. We worked with local municipalities. We worked with the provincial government and federal government to see how we together could find ways to create support systems on an emergency basis and then skill training on a more permanent basis.

We should encourage community and economic development so that regions dependent on seasonal work can diversify their economies. I know it is easier to say than to do. However, unless we make an effort in that direction, I think we will always be faced with emergency programs, employment insurance, short term stop-gaps, but the problem will always endure. This means building on existing initiatives, supported by various agencies. We could cite many of these agencies in various parts of the country that are geared principally to help our communities and seasonal workers.

Many of my colleagues have indicated that this sometimes happens community by community and sometimes regionally in different ways. However, the aim must be to try to ensure that employees and citizens do not rely on seasonal work in one central industry that can be affected by change or situations outside of its control. We need to have alternatives and diversification.

As the Speech from the Throne has outlined, we are supporting the growth of the social economy, the social power of entrepreneurs

which has done so much to help communities create jobs, improve skills development and make communities safer and more prosperous. We have to work with all our partners to find ways to help seasonal workers and industries to benefit from new opportunities created by changes in the economy.

●(1825)

[*Translation*]

I mentioned a number of elements in the employment insurance program that are important to workers in seasonal industries. There is the adoption of an hours-based system. This now means that all the hours of work are taken into account to determine eligibility. This change takes into account the different patterns of work and generally contributes to increase the number of weeks of benefits to which workers were eligible.

Several workers in seasonal industries, who often work many hours during a reduced number of weeks, have benefited from this. This measure has been beneficial to part-time workers, women, seasonal workers. Over 400,000 people, who were working part time or had short-term jobs, were able to receive benefits for the first time following this change.

As for seasonal workers, the length of their benefit period was extended, and their benefits are about 10% higher than those of other recipients.

[*English*]

I will conclude with this, and say thanks.

[*Translation*]

Mr. Michel Guimond: Mr. Speaker, I rise on a point of order. Given the importance of this matter, I am sure that all my colleagues in this House will agree that this motion should be made votable so that the House can look into this most important matter.

The Deputy Speaker: Does the hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: It being 6:30 p.m., it is my duty to inform the House that proceedings on the motion have expired.

The House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:30 p.m.)

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