

Public Party, condemned the proposals. "This is a move that hits the most vulnerable people," he told The Star. "And that's what makes it particularly disgraceful. It's a devastating move for people who are unemployed."

An unemployed worker in Toronto is every bit as unemployed as an unemployed worker anywhere else."

In Quebec, the provincial manpower minister said the proposals could backfire, producing an increase in welfare claimants.

Andre Bourbeau told The Star that Quebec calculates an increase in welfare claims could prove as costly to Ottawa as a proportionate number of people on unemployment insurance.



FIGHTING MAD: Ottawa's plan to slash unemployment insurance payments is a "savagely attack," Liberal MP Warren Allmand tells Ottawa reporters yesterday.

Metro said facing higher welfare roll

By Laurie Monsebraaten
Toronto Star

More people in Metro will be forced to rely on food banks and emergency welfare as a result of Ottawa's changes in unemployment insurance, anti-poverty activists warn.

Not only will it put a burden on the social assistance system, but all support services, including food banks, are going to see dramatic increases in the number of people coming to them for help," Richard Yampolsky, director of FoodShare, said yesterday.

Metro officials are also concerned that the changes will force more people on to welfare who would otherwise be covered by unemployment insurance.

One of the proposals would reduce benefits for workers who quit for no reason, are fired for misconduct or refuse a suitable job while on unemployment, from 60 per cent of insured earnings to 50 per cent.

FoodShare, a Metro-wide agency that helps gather food for the needy, was critical of the changes.

"That might not seem like much," Yampolsky said "But to a person who was earning minimum wage, that's a drop from \$114 to \$95 a week — quite literally, the difference between eating and not eating."

Increasing the number of qualifying work weeks from 10 to 20 will mean that people who are laid off or can only find temporary work will also be forced to turn to

food banks for help, he added.

In Metro, where the unemployment rate is only 6.4 per cent, the number of weeks a worker can collect insurance will drop to 35 from 50.

Workers who can't find a job after 35 weeks will have to rely on welfare to get by, said Ray Lazanik, general manager for Metro's social services division, which oversees welfare payments.

"Anything that moves people from an insurance system to a welfare system is something to be concerned about," Lazanik said.

"Instead of pushing more people on to welfare, the government should be trying to work with the provinces to make a social insurance system that works."

Although Lazanik said he hasn't read the federal report, he is worried about the impact on Metro, which picks up 20 per cent of the cost of welfare.

In Metro, about 1,700 people receive emergency welfare every month while waiting for their first unemployment insurance cheques to come in.

With welfare for a single employable person set at \$491 a month, that adds up to more than \$800,000 a year — \$40,000 of which comes directly out of property taxes.

If people have to wait longer for unemployment insurance, more will likely apply for emergency welfare and swell Metro's already overburdened community services budget, Lazanik said.

Changes in Unemployment Insurance

City	Jobless rate	Current		Proposed	
		Weeks to qualify	Maximum benefit weeks	Weeks to qualify	Maximum benefit weeks
Vancouver	9.2	10	50	16	49
Calgary	7.7	12	50	18	41
Winnipeg	7.9	12	50	18	41
Thunder Bay	7.3	12	50	18	41
Sudbury	8.0	12	50	18	41
Kitchener	4.7	14	42	20	35
Windsor	6.2	13	48	19	38
London	5.8	14	46	20	35
St. Catharines	6.4	13	48	19	38
Hamilton	6.4	13	48	19	38
TORONTO	4.1	14	40	20	35
Oshawa	4.1	14	40	20	35
Ottawa	5.7	14	46	20	35
Montreal	9.1	10	50	16	49
Halifax	7.6	12	50	18	41
St. John's	11.4	10	50	14	50



JOBLESS AID: Bryce Mackasey says cuts unfair.

System not abused, Mackasey claims

By Rosemary Speirs Toronto Star

OTTAWA — There's no evidence to show that cutting unemployment insurance benefits or lengthening the qualifying time will discourage abuse of the system, says former Liberal cabinet minister Bryce Mackasey.

"There is very little evidence of malingering at any rate," Mackasey said yesterday in a telephone interview from his home in Montreal. "And nobody can justify the extension of the entry period by

producing any statistics that suggest abuse will be discouraged."

Mackasey has been called the architect of the modern unemployment insurance program, which he fought through Parliament when he was labor minister in 1971.

He said yesterday he is "very sorry" to see the Conservative government applying spending restraints to unemployment insurance, which he said, "most Canadians would insist is part of our social fabric."

unemployment insurance program that will see most of the savings redirected into training programs run by the private sector or the government.

The changes tie unemployment insurance payments more closely to regional jobless rates, with tighter rules cutting back benefits everywhere except where the unemployment rate tops 15 per cent.

Job creation

In Halifax, for example, a potential recipient has to work 18 weeks — instead of 12 weeks — to qualify for unemployment insurance payments. The worker then receives only 41 weeks of payments rather than 50.

Legislation to implement the changes is being drafted and will be introduced in the Commons in June.

The proposals, which would kick in next January, were greeted with outrage by opposition critics and labor representatives who accused McDougall of paying off the federal deficit on the backs of the unemployed.

They warned that the Mulroney government is in for a fight.

But spokesmen for the business community generally applauded the moves yesterday.

In the Commons, McDougall was accused of making British Prime Minister Margaret Thatcher look like a paragon of kindness and her proposals were described as cynical, manipulative, mean-spirited and a hodge-podge of unworkable sludge.

McDougall responded by touting the government's job creation record, saying the Tories don't need lessons from anybody about

people could be affected by the cuts.

However, Kroeger later explained in more detail that almost all of the 3 million who receive unemployment insurance each year will be affected in small or large ways when eligibility rules are tightened.

"It's incredible that the government presents revolutionary changes to the unemployment insurance program (without being) able to tell us how many people will be affected," New Democratic Party MP Steven Langdon told McDougall in the Commons.

The main premise of the McDougall package is to treat unemployed workers in Metro Toronto — or other areas of low unemployment — differently than workers in the worse-off regions of Atlantic Canada, Northern Ontario, Quebec and parts of the West.

Elements of the package include:

- A tightening of the number of weeks spent working to qualify for unemployment insurance, with only 10 weeks needed in a region hit by unemployment rates over 15 per cent and 20 weeks in Toronto where the UI rate is 4.6 per cent.

- The redirection of \$1.3 billion from UI benefit payments into a series of training programs and improved benefit proposals. Of that money, about \$800 million would be applied to training and \$500 million to change benefits to comply with the Canadian Charter of Rights and Freedoms.

- A crackdown on people who quit their jobs.

- Improved maternity and paternity benefits and changes that allow workers 65 and older to collect unemployment insurance

Mackasey said there is no logic for the Mulroney government's decision to introduce higher entrance requirements and revised benefits "except to save money" for other programs. Unemployment insurance itself, financed largely through employer and employee contributions, is not a drain on the public purse, he argued.

In fact, in recent years, the unemployment insurance program has declared surpluses of \$600 million to \$700 million.