

Unemployment Insurance Act

Mr. Speaker, the minister says the main reason for introducing this bill is to fight unemployment insurance defrauders. Imagine. If the minister were, Father—I am sorry, I meant Mr. Speaker, and I see that when one talks about SINs, one always thinks of clergymen—if the minister were, Mr. Speaker, to go after all cheaters in all areas, tax cheaters because some people cheat the tax department and run after all those who file fraudulent tax returns, or cheating doctors, cheating lawyers, cheaters everywhere, he would not have enough time to uncover thieves everywhere.

I think it would be better to check our own backyard. I say that we are now unemployment insurance premium cheaters. We require that all workers pay unemployment insurance premiums and the government pockets that money and does not pay what it should after taking that unemployment insurance premium out of the worker's pay cheque to guarantee him protection if he runs out of work. I say the government is the greatest cheater if we want to talk about cheaters because it takes even more from workers to give them back half as much as before. Mr. Speaker, if that is not cheating—and I say that the cheating starts at a high level. Let us not be surprised that at a lower level there should be a little cheating because the example is set at the top. That is what must be denounced and I think the government should be generous enough to set things in order to give back rights to the unemployed.

Mr. Speaker, in his statement on November 9, 1978, the minister said that the primary purpose of the changes he was proposing was to reduce certain disincentives in the present unemployment insurance formula. A second reason given to hide the real one. In fact, it is to discourage frequent users who use unemployment insurance several times during a year. From now on those clients will have to meet more stringent eligibility criteria, except in areas where the unemployment rate is either 11.5 per cent or 22 per cent of the labour force or over. The cyclically unemployed and people outside those areas will have to work a maximum 20 weeks to qualify instead of the ten or 14 required of casual users. Mr. Speaker, certainly not one member in this House thought for a moment unemployment insurance was a work incentive.

It has always been my belief that unemployment insurance is an insurance policy to cover the loss of employment risk, the premiums for which are paid by the employer, the employee and the government who appointed a commission to administer that insurance, because this is a labour or group insurance of sorts. For this reason, I cannot accept that unemployment insurance benefits be compared to social welfare benefits.

The second aim, according to the minister, is to promote the desire to work among people who normally get more money from unemployment insurance than a steady job. But where it is impossible to find work, and this is particularly true of seasonal workers, how can they be expected to find work anywhere? This hides the profound lack of concern of the

[Mr. Gauthier (Roberval).]

government for poor Canadians since the average benefits provided by the Unemployment Insurance Commission rarely exceed \$110 a week. The government can hardly blame unemployment insurance recipients if they want to get nearer the poverty line, even if it is at the expense of the state. This tactic suggests that this government is trying to gain political advantages at the expense of the poor and to supposedly promote employment on the backs of the unemployed. It would seem more humanitarian to increase the minimum wages or to promote the implementation of a guaranteed annual income than to force the beneficiaries to re-enter the labour market to seek badly paid jobs.

Is the government trying to hide its economic inability by passing legislation which penalizes mostly low wage earners? Can we expect anything else from a government which governs so unconcernedly and so badly that it has waited this long to introduce a bill which should have been debated several months ago? If the private sector followed the example of the government, it would be bankrupt within six months.

● (1632)

Does the government believe that you amend a bill simply by changing its title? The government should start by cutting back on extravagant expenses like the purchase of military airplanes at a cost of \$2.5 billion and the fantastic expenses incurred for its travels around the world. This would provide the billions required to stimulate the economy.

The government wants to bolster the economy, and because of this, it is trying to find the necessary funds within the unemployment insurance program, as it did earlier with family allowances. We oppose the title of Bill C-14 because the new unemployment insurance legislation aims first of all at cutting off 250,000 people from the unemployment insurance lists. According to the figures, without seasonal adjustment, of Statistics Canada, there were 854,000 unemployed in Canada on October 20, 1978. We can therefore state that the Department of Manpower and Immigration wants to return 29 per cent of the present beneficiaries, or 250,000 unemployed, to the labour market when there are no jobs available.

Moreover, the commission wants to reduce weekly benefits by an average of 6⅓ per cent. It is therefore useless to think about cost of living indexing for unemployment insurance benefits. Even though the yearly inflation rate reached 8.6 per cent in September 1978, unemployment insurance benefits will be reduced from 66⅔ per cent to 60 per cent of insurable earnings. This means an effective reduction of 6⅓ per cent.

From now on, the commission will require repayment of up to 30 per cent of benefits received from anyone who makes over \$20,500 a year. This is a flagrant injustice and an incomprehensible deviation from the present unemployment insurance system. Once again, the principle of universality is put aside to get back a few dollars more. The wage earner who