

Unemployment Insurance Act

The Acting Speaker (Mr. Turner (London East)): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Turner (London East)): Pursuant to section 11 of Standing Order 75, the recorded division on the proposed motion stands deferred. The House will now proceed to motion No. 17.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. Was it not the decision of Mr. Speaker that at this point four motions would be put for debate? Should not all four motions be put now?

Mr. Alexander: That is correct, Mr. Speaker; motions Nos. 17, 18, 19 and 20.

The Acting Speaker (Mr. Turner (London East)): The hon. member for Hamilton West (Mr. Alexander) moves: Motion No. 17.

That Bill C-69, an Act to amend the Unemployment Insurance Act, 1971, be amended by deleting clause 22.

The hon. member for Winnipeg North (Mr. Orlikow) moves:

Motion No. 18.

That Bill C-69, an Act to amend the Unemployment Insurance Act, 1971, be amended by deleting clause 22.

The hon. member for Hamilton West moves:

Motion No. 19.

That Bill C-69, an Act to amend the Unemployment Insurance Act, 1971, be amended by deleting clause 36.

The hon. member for Winnipeg North moves:

Motion No. 20.

That Bill C-69, an Act to amend the Unemployment Insurance Act, 1971, be amended by deleting clause 36.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I do not intend to be too long with respect to the motions placed on the order paper on behalf of my party. Similar motions in support of my motions have been moved by the NDP.

Mr. Rodriguez: Come on!

Mr. Alexander: They are the same motions. What we are talking about is the benchmark. If the hon. member would only realize what is happening on the order paper in terms of what his party is doing, he would not be saying, "Come on!"

When the white paper on unemployment insurance was brought into effect by way of legislation in 1971, the then minister responsible for the implementation of the new Unemployment Insurance Act was most concerned about government participation in the scheme. He indicated that we had a tripartite arrangement. After considerable research and input from several departments, by the academics and others all over this country, the government, in its wisdom, felt that the period at which time it should be involved with unemployment insurance, in terms of additional expense, administration of benefits and what-not, would be when unemployment insurance reached 4 per cent. There is no question about that.

[The Acting Speaker (Mr. Turner (London East)).]

At that time the Economic Council of Canada indicated that full employment was, in the round, 3.6 per cent to 3.8 per cent. At that time we questioned the then minister in terms of the effectiveness of the 4 per cent unemployment insurance benchmark which he was bringing in showing whether in fact there was concern by government about the need to create full employment. We set it at 4 per cent. It appears to me that at that time the government did not recognize that the Economic Council was saying 3.8 per cent. Well, we harangued and we fought and we carried on, and in the long run the 4 per cent figure was reached.

● (1600)

All hon. members who were members of the committee at that time thought the government could be taken as telling the truth and that it would stand behind this particular benchmark. We had thought, as a result of this 4 per cent that the government had indicated, that 4 per cent was an ideal figure for the government to have in mind in terms of unemployment. As a matter of fact, the then minister, and I am quoting him, when commenting on the self-financing aspect of the white paper said:

The government is not only willing to help the unemployed and the less advantaged by providing a system of income support during an adjustment process; it is also ready to assume the cost of extra unemployment insurance benefits when the national unemployment rate exceeds 4 per cent . . . This policy is perhaps one of the most interesting in the entire proposal. It clearly establishes the government's responsibility for the financial support of a national unemployment insurance program over and above the self-financing aspect.

In other words, below 4 per cent it was up to the employer and the employees under the tripartite arrangement to be responsible for the cost of unemployment insurance, and at 4 per cent and up the government would come in both in the initial benefit period and the extended benefit period. Now, in their usual manner of a 180-degree turn, or flipflop, taking the phrase which is more appealing, they have said, "The economic factors and the worldwide implications have led us to the conclusion that the old benchmark is no good any more. We must have another one on an eight-year average." This means that rather than having the benchmark at 4 per cent, it has moved up to something like 5 or 6 per cent this year—and the way the government treats employment and unemployment, we can expect that figure, based on an eight-year average, to move up.

It seems to me the government has done two things. First, it has opted out of its responsibility in terms of fighting unemployment. That is obvious because the benchmark has gone up. Second, it has indicated that it is not really concerned about fighting the abuses. This has been pointed out on several occasions, particularly by two or three of those who appeared before the committee in terms of giving us their expertise. I would quote from the first paper presented by the Canadian Council on Social Development dated November 20. I read from page 4 where we find: "Some Comments on Specific Proposed Amendments Contained in Bill C-69."

The most significant change in financial terms is the provision whereby the 4 per cent threshold for determining at what point the government should assume the additional cost of insurance benefits would be altered. The current focus and rate of unemployment would still apply in the case of extended benefits but in the case of additional