

Unemployment Insurance

Mr. Kempling: Do not play with words.

● (1710)

Mr. Stollery: In fact, the contributor once he comes back to Canada, is perfectly within his right to file a claim.

Mr. Kempling: After eight weeks. You did not listen to what I said.

Mr. Stollery: I am reading the part of the motion which says that he cannot receive benefits from his contributions upon returning to Canada. I am pointing out to the hon. member that as I understand it, a person who comes back to Canada after a period abroad can in fact claim unemployment insurance.

Mr. Kempling: No. Check with the Unemployment Insurance Commission.

Mr. Stollery: Persons who return to Canada upon becoming unemployed, or who become unemployed upon their return to Canada, are covered by the contributions made when outside the country. I must say I fail to understand the point in respect of the woman who went overseas and who seemed to be concerned because she did not receive a refund of her unemployment insurance payment.

Mr. Kempling: That is not it at all.

Mr. Stollery: A major reason for establishing universal coverage in the act was to ensure that all persons working in insurable employment, whether inside or outside Canada, would benefit from the program. If the hon. member would do his research, I think that is what he would find. But I should like to explain another important area where contributors under the act will receive benefit outside Canada. That is in relation to the reciprocal arrangements which Canada has with the United States. I would direct the attention of the hon. member to those arrangements. Section 12 of the Unemployment Insurance Act grants authority to the commission to establish agreements with other countries. Part of this section reads as follows:

With the approval of the governor in council, the commission may, notwithstanding any other provision of this act, enter into agreements with the governments of other countries to establish reciprocal arrangements on matters relating to unemployment insurance.

Sections 34 and 37 of the Unemployment Insurance Act stipulate that recipients of unemployment insurance benefits who do not reside in Canada are not entitled to those benefits which are determined by national and regional unemployment rates. They are entitled specifically to benefits accrued by virtue of the length of their labour force attachment. As the hon. member knows, Canada is divided into areas, and if those figures go to over 4 per cent the rate of unemployment insurance alters. It is very clearly pointed out that people who are subject to the reciprocal arrangements that Canada has, specifically with the United States, are entitled to benefits accruing by virtue of their labour force attachment. At the present time Canada has reciprocal arrangements with the United States in matters of unemployment insurance.

Mr. Kempling: What about Germany?

[Mr. Stollery.]

Mr. Stollery: The Canadian-American reciprocal agreement is an administrative arrangement whereby the American states, Puerto Rico, the District of Columbia, and Canada—I will get to Germany in a moment, if the hon. member will be patient—take each other's claims on interstate forms but payments to claimants are made by the liable state or country authority; that is, the place where the claimant acquired his unemployment insurance credits pays him his benefits under the terms of its act which governs unemployment insurance. The place where the claimant resides while claiming benefits ensures his availability for employment and may recommend his disqualification to the liable state if, in their opinion, the claimant is not meeting the provisions of the act which would determine his benefits. Benefits, then, are paid by the country where the credit was established, and not by the country in which the claimant is seeking employment. The volume of traffic between Canada and the United States is about equal—I think this refers specifically to what the hon. member was suggesting about Germany—and therefore the time and cost of administration is also about equal.

There is another circumstance in which a Canadian claimant in a foreign country is covered by the unemployment insurance scheme; that is, if he falls sick in a foreign country, the regulations state that his period of actual hospitalization in a foreign country is covered by the Canadian unemployment insurance program. I should like to deal for a moment with the coverage provisions of the present act and the relationship of those provisions to persons employed outside this country. The provisions of section 52 of the legislation are a carry-over of the old act and read as follows:

The employment of a person outside Canada, other than a person employed on a ship or vessel as described in section 51, is included in insurable employment where that person:

- (a) normally resides in Canada,
- (b) is employed outside Canada or partly outside Canada by an employer who is a resident or has a place of business in Canada, and
- (c) would be employed in insurable employment if such employment were in Canada, and
- (d) is not employed in employment that is insurable under the laws of the country in which he is employed.

The impact of section 52 was greatly increased by the provision of the new act which, because of the universal nature of coverage, included members of the Canadian armed forces and the public service. I am sure we remember the protests of a few years ago when this universal aspect was being considered by, for example, people in the nursing profession who felt they should not have to pay unemployment insurance and who now, I think, are content to pay because, of course, if they become unemployed they are eligible.

● (1720)

When you consider the various alternatives relating to payments to Canadians abroad, there are a number of solutions which are possible that would continue the universal coverage of the program as well as allow us to pay benefits to those who are contributing under the act wherever they may be. The following are a few possibilities. First, we could enter into reciprocal agreements with all