

Unemployment Insurance Act

On making application for sick benefits he was only able to draw benefits for a three-week period because the entitlement which began back in July, 1973 had continued to run and had expired now in 1974 after the three weeks of benefits which I just mentioned. I have talked with Mr. Propper personally and can attest as to this man's condition and to his need for benefit.

I draw this case to your attention as yet further evidence of the need to, in some manner, amend the regulations of the unemployment insurance program to take care of instances such as these.

I received a reply from a Mr. Lambert, on behalf of Mr. Girard, departmental assistant, dated March 29, 1974. I quote from the reply:

I might point out, however, that the commission has been examining the feasibility of allowing claimants to cancel an existing claim once the initial benefit period has expired, and setting up a new claim on the strength of labour force attachment acquired since the previous claim was established. This proposed change would facilitate a claimant requalifying for benefits at an earlier date, and thus permit cases such as Mr. Propper's to be dealt with more equitably in the future.

In other words, the Unemployment Insurance Commission sees the need for that cure. In order to be fair to the commission and those who draw benefits from it, an amendment or proposed change in the regulations should be seriously considered. At present, this is resulting in frustration for these people. They are fed up and angry with the Unemployment Insurance Commission and this is reducing their incentive to work.

My next point is with regard to the student worker. One of the largest sources of seasonal workers in agriculture is the student labour pool. Without it, farmers would be in great difficulty at harvest time. The incentive for these people to work is weakened by deductions for unemployment insurance for which they rarely or never legitimately qualify. Because they have to pay this, they feel they are being discriminated against. To support my point I wish to quote from a letter from someone who recognizes this situation—Mrs. Joy Lefler of RR No. 3, Waterford, Ontario. I quote from her letter:

As you know, the regulation as it stands now, concerning unemployment insurance deductions; once an employee has earned \$250, regardless of his age, he must have unemployment insurance deducted from his wage. Can you tell me, sir, do you honestly see justification in deducting unemployment insurance from, say, a 14 or 15 year old employee? We have had plenty of workers in our employ at that age, and good workers, I must add, who fall into this category. Would a 15 year old who earned money and had the required deductions taken from his wage be able to collect unemployment insurance benefits? Impossible!

This is one regulation that needs some house-cleaning or at least some investigation. I don't believe I speak only for myself, but thousands of employers not only in our business but others as well.

The Canada pension regulation is that a person must reach 18 years of age before being eligible for deduction. I sincerely feel the unemployment insurance benefit should fall under the same regulation, or it should at least be revised so that he must reach a wage equal to that of his personal exemption or which is subject to income tax deduction.

I think that supports the argument that there must be some provision for student workers who make up a large part of our labour force. I have been rather negative and critical of the Unemployment Insurance Commission. However, I have some positive suggestions to make which I feel will improve it. They will restore in some measure the incentive to work in the labour force which is so essential to the harvesting of agricultural crops.

First, as I have already stated, the qualifying period should be lengthened. I see no earthly reason why it

[Mr. Knowles (Norfolk-Haldimand).]

should not be extended well beyond eight weeks, perhaps to six months or, as suggested in the brief by the county council from which I read, 30 weeks. Second, seasonal agricultural workers should be exempted. Let us forget about them. Don't bother with them with regard to deductions for income tax, pension plans, and so on. Let us eliminate the red tape. There will then be a real incentive for persons all over the country to go into the fields at harvest time and provide the labour which is so necessary. Some people might say, "Look at the amount of money that would be lost to the revenue." But as far as income tax is concerned, the treasury would catch up with these people at the end of the year when they paid their tax.

● (1720)

My third recommendation would be to raise the \$250 ceiling on earnings or extend the qualifying period so that the seasonal worker would not be subject to deductions with respect to unemployment insurance. Finally, I suggest that the Unemployment Insurance Commission reinstitute the form which at one time permitted an agricultural worker to opt out of the unemployment insurance scheme of his own volition. The worker signed such a form and turned it over to his employer, who did not then have to make deductions in respect of unemployment insurance. This would have two important effects. First, it would help accomplish what I have been advocating throughout my speech and, in addition, it would simplify the administrative work which farmers are now compelled to undertake.

I hope that what I have said will help make the commission aware of the difficulties in the act as it now stands, and I trust the government will implement some of the proposals I have put forward.

Mr. Ross Milne (Peel-Dufferin-Simcoe): Madam Speaker, I should like to take part in this debate for a short time; I am aware there are a number of other hon. members who wish to speak. I found the remarks of the hon. member for Norfolk-Haldimand (Mr. Knowles) very interesting. The hon. member may be exaggerating somewhat when he suggests there has been no desire on the part of members on this side of the House to make some of the changes he believes to be necessary. I understand that in the last parliament there were to be amendments moved to the Unemployment Insurance Act, but that the party to which he belongs would not support them. For this reason they did not go forward.

I may say that I, like the hon. member, am constantly being besieged by people who say that unemployment insurance benefits are too high or too easy to get, or that there is too much abuse. But it really depends upon whose is being gored. When they themselves, or members of their immediate families, find it necessary to resort to unemployment insurance, they tend to take an opposite point of view: benefits are too hard to get, payments are not high enough, and conditions are too restricted.

Two years ago, I was among those who were critical of the structure. At that time benefits were being increased, new administrative procedures were being put into place, and rising unemployment was leading to a flood of new claims. In the past year or so the situation has changed. I do not think there is a member in the House who can