

reduce the tax burden on the shoulders of the taxpayer. However, when it comes to this particular measure I think perhaps an alternative approach would have been preferable. I would have looked very hard in the direction of increasing by a number of weeks the period before which a claimant becomes eligible for unemployment insurance.

● (2110)

As we all know, at present the period is eight weeks. I have the impression that employers in particular are re-arranging their employment plans around this provision to take advantage of this period of only eight weeks. I would have preferred an alternative approach for the very simple reason that the reduction from 75 per cent to 66½ per cent affects people in Canada who, according to the evidence given to the committee, live in areas that benefit from the government's regional economic expansion program. The provision means for the average claimant a reduction in benefit from \$75 a week to \$66 a week, assuming a benefit in the range of \$100 a week.

The approach of increasing the number of weeks would have affected people who have a short attachment to the labour force but who also live in the large industrial areas where there are alternative opportunities for employment much greater than for people who live, say, in parts of Nova Scotia, New Brunswick, Quebec, northern Ontario and other parts of northern Canada.

I say this not only to put my remarks on record but to encourage the minister, who evidently has gone through a very difficult process of decision making, none of which is palatable, before making his choice, which was not an easy one. Nevertheless I have to express these thoughts in the hope that we will one day come to a concept of unemployment insurance that is at least as broad as it is now.

This is where I part ways with the hon. member for Hamilton West (Mr. Alexander). He seems to be torn between the narrow concept of insurance as it is known in the private sector and the concept that we have gradually adopted over the years, which is not insurance but really income support. The hon. member reluctantly came to the conclusion in his very fine speech tonight that this is exactly what we have before us—a program of income support—and that we might as well call it what it is. Otherwise we would not have in the program maternity or sickness benefits as we know them.

These were fine Liberal measures introduced by the Liberal government in 1972, which we all supported both here and out in the field, and quite rightly so. Through these measures we have made Canada's unemployment insurance scheme one of the most advanced and enlightened in the world. This is why I believe this benefit rate for claimants with dependants would be within that spirit, and would be more advanced if it were kept at the level it is now, namely, 75 per cent.

Let me conclude by quoting an excerpt from a speech that the Minister of Manpower and Immigration (Mr. Andras) made to the Board of Trade in Vancouver on November 25 last year which I think reflects very well the dilemma he is facing and the choices he had to examine. I hope it will be the direction we will take whenever in future we think of unemployment insurance in the 1970's meeting the needs of a fairly sophisticated and progres-

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sively educated labour force. This is what the minister said on that occasion:

... why can't we use the public funds that we spend through this program...

That is the unemployment insurance program.

... in a way that not only meets the income requirements of the U.I. claimants, but which also enhances their capacity to engage in useful and satisfying work?

Then the minister went on to say that it seemed to him much more sensible to talk of employment insurance rather than unemployment insurance. This speech was delivered just over a year ago to the Board of Trade of Vancouver, and I hope the minister still remembers it clearly.

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, if I had any doubts that the government has given up any intention it may have had of dealing with the problem of unemployment or inequity in this country, those doubts would have been dispelled not just by the introduction of this bill but by the speech just concluded by the hon. member for Davenport (Mr. Caccia). I had always thought of him as being one of the more progressive Liberal members of parliament, yet a moment ago I heard him endorsing two principles which he correctly said are fundamental to the changes being proposed by this bill: first of all, that the premiums for unemployment insurance paid both by employers and employees should be increased; secondly, that the percentage of unemployment insurance above which the government assumes the cost of payments should be raised from the previous 4 per cent to, I think he said, 5.6 per cent this year on a sliding scale, which would mean that next year it would probably be up over 6 per cent, and more than that the following year.

Why are the two proposals endorsed by the hon. member for Davenport necessary? They are necessary because the government has completely failed to deal with increasing unemployment. In fact through this bill and others it has made clear that it has no intention of aiming for full employment.

Let us look at the record, and I hope that the hon. member for Davenport is listening. For the first 11 months of 1975 we have not had less than 6.7 per cent unemployment in any month. This 6.7 per cent was registered last January, up 1.2 per cent from January of 1974 when unemployment was 5.5 per cent. In actual numbers this was an increase of 140,000, from 520,000 to 660,000. In actual numbers as well as percentages unemployment has been increasing every month since last January.

I am not going to put all the figures on the record tonight, but let me take the month of November as an example. In November, 1974, there was 5.5 per cent of the labour force unemployed, representing 542,000 people. In November of this year 7.3 per cent of the labour force was unemployed, or some 734,000 people, an increase of almost 200,000. The increase in jobs between October and November was only 15,000 and that did not keep pace with the increase in the labour force consisting of 24,000, leading to a .1 per cent increase in unemployment. That is the situation in which we are today.