

A sampling of the nation's press underlines the suspicion raised as a result of misuse and abuse of UIC funds. It was called a "mess" by the *Winnipeg Free Press* on November 21 last. That paper had this to say:

Originally planned as an insurance program, it has long lost any semblance to this. It is a social welfare program, pure and simple, paid for in large part by thousands of Canadians who can never hope to benefit from it.

When the Minister of Manpower spoke on or about November 6 last year, the *Vancouver Sun* said he was whitewashing the UIC. It stated:

He made a great point of saying that about 250,000 persons will have been disqualified for benefits or thrown off the insurance rolls this year as a result of diligent investigation. Such statistics, however, merely prove the massive extent of attempted or semi-successful fraud perpetrated against the fund, without any indication about how many are getting away with it. The number who weren't caught must have been astronomical. This is implicit in Mr. Andras' statement that the investigating staff that totalled 147 a year ago now stands at 369 and 55 more will be added by the end of this year. This simply means that the number of watchdogs was insufficient a year ago and it still is.

That was the *Vancouver Sun* summation. "Unemployment income tax," reports the *Vancouver Province* of November 10, and "Rip-off continues," comments the *Toronto Sun* of November 15.

● (1230)

The third and most important problem is the credibility of the minister responsible. On May 22, 1973, when he was speaking to his estimates before the Standing Committee on Labour, Manpower and Immigration, he said:

But without indulging in superlatives I feel I can say honestly that this is a good and decent program and that, although as I have mentioned we still have problems to solve, our reorganization will move it a long way toward more efficiency, sensitivity and humanity.

When introducing notice of the increased premiums on November 7, 1973, the minister made a statement on motions. I should like to quote from page 11 of that statement where he said:

The important review of social security in Canada, now going on under the leadership of the Minister of National Health and Welfare, also makes this the wrong time for a legislative change in a social program as significant as the unemployment insurance program.

How inconsistent can that minister be, Mr. Speaker? This is what I am talking about in terms of a credibility gap. We see now that he is bringing in legislation in order to amend the act. I wonder whether the social security review has now been completed by the Minister of National Health and Welfare (Mr. Lalonde). I would respectfully suggest that it has not. I would respectfully suggest that he is bringing in legislation now because he realizes that the act in its present form is unacceptable to Canadians and that they expect action.

**Some hon. Members:** Hear, hear!

**Mr. Alexander:** In terms of action we await the legislation that the minister promised by his letter of intent and the Speech from the Throne, and we say that we will not accept any cosmetic features in a bill, nor do we expect him to bring in any ad hoc measures in order temporarily to appease the opposition and not so much us but the people of Canada.

*The Address—Mr. Alexander*

Again, on the question of the minister's credibility I should like to quote from the same speech at page 13 where he said:

I am determined that the unemployed who are genuinely doing their best to get work will receive their rightful benefits, and our fullest assistance in their efforts to find new jobs. But I am equally determined that those who are not entitled will not receive benefits. And I am confident that we now have the administrative system and competence to make this determination stick.

That is what the minister said on November 7, Mr. Speaker. I will repeat that:

And I am confident that we now have the administrative system and competence to make this determination stick.

During this time when the minister was procrastinating and flipflopping and taking shortcuts through facts, we in the opposition, particularly through the hon. member for Hastings (Mr. Ellis), had charged in no uncertain terms that he was wrong about the act. The hon. member raised charges related to mismanagement, financial waste, computer chaos, all within the past two years, but the minister and his officials dismissed those charges. His officials called them distorted, misleading and outdated.

To show how quickly the minister realized he was wrong when he was being pressed, in the first week of February, 1974, when attending a meeting of the Canadian Construction Association he admitted that most of the criticism levelled a year ago or even six months ago was valid. Then he went on to disclose a massive salvage plan. I should like to list some of the plans which the minister wanted to bring in: a closer system of checks for eligibility for unemployment insurance; increased emphasis on manpower training for employees; insistence on an active job search by insurance applicants; expansion of the Unemployment Insurance Commission benefit control staff; new controls on hiring through union halls; incentives to improve the mobility of the work force, particularly in construction.

These were his proposals even though in November he indicated that he had the "administrative system and competence". I hope that these matters to which I have just referred as being matters of salvage will be brought within the ambit of the Unemployment Insurance Act, as well as other matters.

We have long said that we are not happy with and we have never accepted a qualifying period of eight weeks; we have indicated that it should be at least sixteen weeks. We have also indicated that Manpower and the Unemployment Insurance Commission should be merged.

**Some hon. Members:** Hear, hear!

**Mr. Alexander:** It seems to me that the minister has been less than honest with the Canadian people in this regard. We must have the truth. Canadians not only are entitled to it but are demanding it. This is why we have continually called for a full-scale, independent inquiry into unemployment insurance. Surely the ever-widening credibility gap and the inconsistency of the minister make such an inquiry mandatory. My party will continue to press for a major independent public inquiry into the unemployment insurance program to clear the air of suspicion and to assess what the program should be accomplishing in the context of over-all Canadian policy.