

*Unemployment Insurance Act, 1971*

careful. We must try to improve this act. I hope the minister will understand that I am not being facetious or partisan when I say that I hope, because of the newness and earth-shaking implications of this legislation, the minister will consider safeguards to possible abuses.

We say that the proposal has merit in maintaining the integrity of the unemployment insurance plan. The Canadian Labour Congress and government officials suggest that assistance in this area is practical for the fund because present disqualification clauses cannot stop fraud and invite health hazards to pregnant women. Some women remain at work until the last moment, with possible detrimental effects to their health and productivity. Some women are in collusion with their employers to be fired or laid off in order to be eligible for benefits which they would otherwise not receive.

Who will determine who is sick? Will it be determined by doctor's certificate? When will he have to supply this information? These are the type of questions that make the average taxpayer extremely concerned when he sees people taking advantage of a system. Because of lack of proper investigation we might not prevent even minimum abuses. Teachers may have more interest in the pregnancy section when they start to rationalize their inclusion. But it should not be considered that this is an effective welfare plan for pregnant women for two reasons. First, the burden of support rests with only two sectors of the tax base—employers and employees. Second, it is inequitable as a welfare scheme because it gives benefits, not according to need but according to previous income, and it only provides benefits for working women.

I should like the minister to answer this question regarding the family unit: Should we not consider that a woman whose husband is making \$15,000 is in a position to have, through her husband, the required treatment out of their joint income I think this is extremely important. The maternity benefit plan should be considered as temporary income maintenance in light of its removal of the human and institutional damage caused by cheating. However, the act's proposal should be integrated with broader aspects of social welfare policy regarding the needs of all pregnant women. Perhaps the Minister of National Health and Welfare (Mr. Munro) will be interested in this question, because we should not deceive these people. If we are going to look into the entire needs of women we should use a fine-tooth comb.

● (8:40 p.m.)

In closing I would like to touch on another area which gives me some concern. I refer to our senior citizens. It is hard to pick the proper word. I do not want to say that the government has shown unconcern for our senior citizens, but it has certainly adopted some unrealistic approaches to them. This makes me a little worried. However, in all fairness I have to admit that we are now talking about retirement benefits. This was a very touchy topic during the committee meetings. In this regard I quote from issue No. 9 of the committee proceedings, page 9:28, as follows:

5. Unemployment benefits for interruption of earnings due to retirement.

[Mr. Alexander.]

The case for the provision of unemployment insurance benefits for interruption of earnings due to retirement presents certain difficulties. Indeed, a number of witnesses fully in support of UIC benefits in the case of interruption of earnings by sickness or pregnancy expressed opposition to the provision of the proposed retirement benefits.

While in the main concern in the matter of sickness and pregnancy included interruption of earnings benefits related to a discussion of the type of program and vehicle appropriate for such benefits, the very existence of a valid contingency at the time of retirement was denied by several witnesses and briefs. It was maintained that if a need exists—

This is what is important just as the committee recommended.

It was maintained that if a need exists in the transition from work to retirement, it cannot be said to constitute an interruption of earnings.

A number of witnesses also drew attention to the fact that by accepting Canada Pension Plan or Quebec Pension Plan, an early retired person would have access to \$720—while if he did not retire, he would receive as much as \$5,000 in the first year.

There is another matter which I would bring to the attention of the House, Mr. Speaker. This was contained in a submission by the Canadian Fertilizer Association—and I do not stress so much the name of the association as the content of its submission. At page 9:62 there appears the following:

While it may not be desirable to provide retiring workers with a nominal lump sum payment in lieu of benefits, the proposed five weeks lump sum payment—

There was an error there: it should have read "three weeks."

—could easily be abused and apply an unnecessary burden on the unemployment insurance fund. It would, we suggest, quickly become normal practice on retirement to forgo application for Canada pension and old age security benefits for a time to take advantage of the proposed five weeks lump sum handout.

Again, Mr. Speaker, it should have read "three weeks lump sum handout." The problem I am faced with in respect of the lump sum payment in the initial instance, after a person has a 20-week involvement with the work force, is that it becomes almost possible to accept a further lump sum payment even though this may affect our senior citizens. I want the minister to convince me that what he is doing is right, because it is not my intention to quietly sit here and not see our senior citizens, those on the verge of retirement, get what they deserve after spending considerable time in the work force.

Why are they getting a lump sum? Is this a gift? Is it to tide them over a certain period? If they are on the verge of becoming involved with the Canada Pension Plan, they may be about to retire and may have money coming in from another pension scheme. I would like the minister to explain this to me so there will be no misunderstanding about what the government is attempting to do. In the first instance, as I said, it seems the government is attempting to create a group that will get the three-week payment. Now there is to be another group with a three-week payment. I suggest these are bonus payments. Even the first case is questionable, but we must have conclusive evidence with respect to the