

The minister in the other place stated at a Liberal gathering out west on the weekend that the government will give up on certain industries and pay special attention to the resource and high technology industries. It will forget about some of the other industries, specifically the textile and footwear industry which he mentioned. We have already seen what the government has done to the footwear industry. The Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion (Mr. Gray) takes pride in saying that he gets great support from that industry, but I note that the footwear industry will have representatives in town on Thursday to demonstrate and discuss with many Members of Parliament their concerns over the latest actions of the government affecting that industry.

If what the Minister of State for Economic Development said on the weekend is factual—you have to wonder because you cannot believe who is saying what at times and people contradict each other—I am sure we will find more areas designated. There will be a great number of people who will qualify under this particular bill.

The minister and deputy minister were not able to give us accurate figures in committee on what these additional benefits will cost. They mentioned approximately \$10 million up until this fiscal year, but I suggest that figure is an underestimate because more designated areas will arise much faster than expected due to the terrible economic conditions in Canada today.

We urge quick passage of this bill so that the benefits, which are meagre and only touch a very few people, will help those people most in need. We will work toward that end in order to pass this bill as quickly as possible.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, I am pleased to be taking part in this debate. At the report stage there are a few comments I should like to make on Bill C-78, the Labour Adjustment Benefits Act. Basically, this bill is a humanitarian measure aimed at helping workers who are suffering the adverse effects of a rapidly changing economy, and who are faced with the consequences of decisions that are often beyond their control, especially at the national level.

The proposed legislation on labour adjustment benefits is part of a special three-year industry and labour adjustment program which was announced last January and given a budget of \$350 million. Hon. members will probably recall that under the program, the Ministers of Industry, Trade and Commerce (Mr. Gray), Employment and Immigration (Mr. Axworthy) and Labour (Mr. Caccia) have already designated four communities that are in financial difficulty, namely, Port Cartier and Sept-Îles in Quebec, Sydney in Nova Scotia, Tracy and Sorel in Quebec, and Windsor in Ontario. These communities are having to cope with widespread industrial disruption caused by import competition or by industrial restructuring made necessary as a result of changes in the economy. Whatever the cause, the result is almost always a

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severe reduction in manpower. The number of lay-offs in the sectors most seriously affected in these communities indicates that they are faced with some of the worst adjustment problems in Canada.

The industrial restructuring encouraged by the industry adjustment program is essential to a sound economy. However, it does cause a number of serious social problems. That is why Bill C-78 is a necessary complement to this program, and there are two major reasons: first, because it provides benefits for older workers who have been permanently laid off, and also because it proposes amendments to Part III of the Canada Labour Code that are aimed at lessening the harsh consequences of loss of employment.

First of all, the labour adjustment benefits program provides financial assistance to older, laid-off workers when they have exhausted all other sources of financial aid. They must be at least 54 years old and have been permanently laid off in one of the designated industries. They must have been employed for at least ten years in the industry during the 15 years previous to lay-off. Benefits are the equivalent of 60 per cent of average insurable earnings before lay-off. Mr. Speaker, the bill provides for the establishment of a labour adjustment review board that will certify the eligibility of laid-off workers to apply for benefits. The House will note that the bill also covers adjustment assistance benefits programs already being offered by the Department of Labour to workers in the textile, clothing and footwear industries.

The primary objective of the program is thus to provide relief for older workers with many years of seniority, who have been laid off, either by helping them find employment in other locations or by enabling them to take advantage of early retirement benefits.

The second part of Bill C-78 consists of amendments to Part III of the Canada Labour Code, which would lessen individual problems caused by loss of employment and increase the entitlements and benefits of workers affected by massive lay-offs in industries under federal jurisdiction. We all know that lay-offs have been made necessary by a reduction in demand for manpower in industries that are undergoing restructuring. However, the impact of lay-offs on employees is often very serious, and the bill we are considering today tries to remedy the situation by improving conditions for payment of severance pay and by increasing the period of time required for giving notice of termination of employment.

From now on, when employers foresee a reduction in their work force, they will have to plan ahead and give workers earlier notice of any mass lay-offs. The minister and unions representing redundant employees must be sent notice in writing of the employer's intention at least sixteen weeks before the date of termination of employment. Employers will also have to establish a labour-management committee, whose members will be responsible for setting up a plan for minimizing the impact of termination of employment. Finally, sever-