

Textile and Clothing Board Act

retirement benefit amounting to 50 per cent of previous earnings, payable after the unemployment insurance benefits have been exhausted, and, if need be, until age 65 when entitlement to benefits under the Canada Pension Plan and the Old Age Security Plan begins. In other words, we have taken into consideration the fact that people over age 54 in the textile industry who have been associated with this industry for perhaps 20 or 30 years, who have no other particular skills and live in small communities in which perhaps the textile industry has been dominant, in the event of the plant closing down or automation causing a reduction in the work force, have a particular problem in view of the limited application of their special skills. Providing, of course, that we are unable to find them suitable work, and providing that even with training through the Department of Manpower and Immigration they are unable to find employment in the community or within a reasonable distance, we feel it is only logical that these people over age 54 who have been displaced, through circumstances beyond their own personal control, should have some form of personal assistance.

For that reason we propose, subject specifically to exhaustion of unemployment insurance benefits and the assurance that work is not available with or without manpower training, these people will be entitled to pre-retirement benefits from the age of 54, from the date of exhaustion of unemployment insurance benefits until age 65. These benefits will, of course, be subject to a scale which will be related to their income over a reasonable period of time during which they were employed by the textile industry. I might say that until the regulations are completed, the initial maximum payment under the pre-retirement benefit plan will be \$75 a week. The amount of benefits will be adjusted for cost of living increases in the same manner that benefits are adjusted under the Canada Pension Plan. So, there will be an escalating feature to the pre-retirement payment. It will work precisely as the Canada Pension Plan works and it is based on studies that have been made primarily in the United States.

We will try to encourage people of age 54, 55, 56 and so forth to supplement this income up to \$75 a week by not penalizing them by eliminating, as it were, their pre-retirement benefits if they work elsewhere. In other words, what we intend to do is permit persons drawing these retirement benefits amounting to up to \$75 a week to benefit by an amount equal to half of any monies they may earn from another job in the community. In other words, they will be entitled to increase this benefit of \$75 a week by 50 per cent of any supplementary earnings they may have of a temporary nature.

To qualify for this particular pension benefit, or the pre-retirement benefit, as we prefer to call it, a worker will have to meet a certain number of reasonable conditions designed primarily to establish the fact that the worker has traditionally been attached to or associated with the textile industry. He will have to have worked for ten years in the industry during the last 15 years prior to lay-off. I think this is a very fair proposition in

[Mr. Mackasey.]

that we are trying to design a specific program for a particular group of Canadians, those people associated with the textile industry who live in small communities where job opportunities are very limited.

If, for instance, in one community in Ontario of which I am aware, where the textile industry dominates the community, a worker has been attached to that textile industry for ten of the last 15 years, he will be eligible for the benefits, provided, of course, he meets the other conditions already mentioned and provided it is shown that his lay-off results from the conditions specified in Bill C-218. He will, of course, have to be certified by the Department of Manpower and Immigration as an individual for whom there is no present prospect of placement with or without training assistance. It is obvious that if there is a job available in the town for a man with this particular skill, perhaps in another textile concern, and the job is available, we expect him to accept it. If there is a requirement for retraining through the Department of Manpower and Immigration, that department will retrain the individual in order to equip him for that job, but these are the exceptions. If a job is not available, with or without retraining, and if a man has ten years in the industry in the last 15 years, he will be eligible.

• (12:20 p.m.)

The third condition is that the Manpower Department would periodically re-assess employment prospects in that particular community to make certain that a very small minority of people are not drawing the pension rather than taking advantage of work opportunities as industry expands once again. That is a brief explanation of the workers adjustment assistance plan. I introduce it with a considerable degree of satisfaction because I think it will create a unique and significant innovation in this country. At least we are recognizing the particular problem of people between the ages of 54 and 65 who are being displaced from an industry, certain segments of which the government thinks should be rationalized, in order to convert it to a more competitive position so that in the long run that industry will survive. I believe this will help the older workers to adjust to the problem of displacement with preservation of the individual's pride and dignity. I think the introduction of this program represents an important step forward in our effort to cushion the impact of unemployment through industrial change. This is a subject on which I have spoken on previous occasions, and on which I will have an opportunity to speak at length and in depth later on in this session.

In conclusion, may I say I would hope that all members of the House would accept the principle of the proposal that is outlined in clause 21 of the bill by which, if I might recapitulate, we would help all workers who are displaced, regardless of age, by supplementing their unemployment insurance benefits to the extent that they will draw two-thirds of their present income until the new Unemployment Insurance Act comes into effect. When those benefits have run out, those workers over