

*Unemployment Insurance Act*

**Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence):** Mr. Speaker, my participation in this debate today will not be lengthy. At the outset, I want to point out to the hon. member for St. John's East (Mr. McGrath), who made a rather impassioned plea on behalf of the unemployed in his province, that we have in place in this country various other social assistance programs designed to provide aid to the needy—and that is not supposed to be the function of unemployment insurance. Perhaps he should talk to his Tory colleagues in St. John's about increasing the social assistance benefits to those in his province who are going to be excluded.

**An hon. Member:** The same old story.

**Mr. McGrath:** What about your own province?

**Mr. Dionne (Northumberland-Miramichi):** I should like to begin by commenting on some of the specific amendments proposed in Bill C-69. I think it is proper and sensible that sponsors of Local Initiatives and Local Employment Assistance Programs should now become eligible for coverage and benefits. It has always seemed incongruous to me that governments should provide funds for the purpose of alleviating unemployment at the local level, and then penalize those who take the initiative to sponsor such programs by making them ineligible for unemployment benefits. If, indeed, the government places importance on job creation for the unemployed in the creation and management of projects, then it has no choice but to bring in this kind of amendment. It will now afford equal treatment to both the individual worker and the individual sponsor under LIP and LEAP projects vis-à-vis unemployment insurance coverage.

With reference to the amendment in respect of coverage of workers 65 years of age and over, I must say that I, too, have some reservations. I can agree quite readily that anyone between age 65 and 70 who is receiving old age security, the guaranteed income supplement and Canada or Quebec Pension Plan benefits should certainly be ineligible to receive unemployment insurance benefits over an extended period of time. However, there are many people who choose, through desire or necessity, to continue active employment after age 65, and while old age security benefits are payable upon application to everyone who has attained age 65, that does not apply to the guaranteed income supplement or Canada Pension Plan benefits.

**An hon. Member:** It does now.

**Mr. Dionne (Northumberland-Miramichi):** It does now—automatically?

**An hon. Member:** Yes.

**Mr. Dionne (Northumberland-Miramichi):** I am sorry.

**Mr. Oberle:** You want to be a little more careful.

**Mr. Dionne (Northumberland-Miramichi):** I will try. Therefore, it would seem to me that people who are not receiving a guaranteed income supplement should be eligible to pay into and receive benefits from the unemployment insurance fund. May I remind this House that many people between age 65 and 70 are still supporting depend-

[Mr. McGrath.]

ent children or other relatives who may well be attending university or other institutions of higher learning or who may, through sickness or accident, be unable to assist themselves. I do not believe that any government action, especially action by a Liberal government, should deprive such people of the expectations and historical rights which they have had under this act. I would, therefore, urge that this proposed amendment be redrafted in such a way as to make an exception of those whose attachment to the labour force and whose need for benefit is demonstrated to local officials of the Unemployment Insurance Commission.

I find it necessary, also, to say a few words regarding the amendments, in respect of the manner and conditions for claiming benefits. While the present legislation provides authority for the commission to regulate the manner in which a claim for benefit may be made, and while such procedure may be contrary to the basic principle that a regulation may only purport to explain the law or help in administering it, it must be pointed out that legislation is much more rigid than regulation. Therefore, it may well be that experience will prove that legislating the manner and conditions for claiming benefits is so rigid that no allowance is made for special circumstances. If, however, the legislation can be drafted in such a way as to allow for some flexibility in the administration of the act, then I have no objection to it.

I believe the amendments under the clauses dealing with the extension of the qualifying period and the benefit period are beneficial and sensible and I give them my full support. There is, however, one disincentive to work contained in the act to which this bill does not seem to address itself. I refer to the disqualification of a claimant who takes a part-time job while still receiving unemployment insurance benefits—a job that lasts four or more weeks. After working for four weeks, the claim is discontinued and the claimant finds himself in a position of not being eligible to continue drawing benefits, even though through his own initiative and desire to work he has saved the Unemployment Insurance Commission the payment of four weeks' benefits. The incentive here is to encourage such people not to accept part-time work while receiving benefits. I suspect this is an oversight in the drafting of the bill. I strongly urge that new legislation be proposed to allow claimants to take such short-term employment and, at the end of this employment, be able once again to continue to receive benefits and to renew their claims.

The interpretation of the regulations at present seriously affects one particular group of prospective claimants in the province of New Brunswick. I do not know whether the same applies in other provinces, but several instances of this faulty interpretation of the regulations have been brought to my attention. It is simply this: in the province of New Brunswick, teachers' contracts are dated to coincide with the dates of the school year; that is to say, from July 1 to the following June 30.

Because of the interpretation given by the commission, any individual who signs a teachers's contract in New Brunswick is automatically disqualified to unemployment insurance benefits from July 1 of the year in which the contract is signed, even though the actual pay period for teachers in New Brunswick does not commence until September 1. Consequently, it is entirely possible in fact, it