

Unemployment Insurance Act

pened when there was a much higher level of unemployment and when the work force covered totalled over 7 million, as opposed to a work force covered of slightly under 5 million.

Where is the abuse that we hear so much about? Where are the hundreds of thousands of citizens who, supposedly, are taking advantage of the eight-week eligibility provision, who are taking advantage of the higher benefits and who are taking advantage of the so-called breakdown in administration in order to collect unemployment insurance. I say that since only 40,000 or 50,000 more people claimed unemployment insurance in 1972 than claimed it in the year 1970, and in 1972, as a result of universality, the work force was almost double the size of that covered in 1970, is it not time people stopped presuming that the man who works for a living has a monopoly on honesty in this country?

Some hon. Members: Hear, hear!

Mr. Mackasey: How do the figures of about 3 per cent or 4 per cent of claimants who abuse unemployment insurance in this country compare with the figures recently released relating to doctors in Ontario? Their own association says that there is almost a 12 per cent, and certainly an 11 per cent, rip-off on medicare.

Some hon. Members: Hear, hear!

Mr. Mackasey: How many of our corporation lawyers will make a fortune pretty soon in finding loopholes in the income tax law in order to enable their clients to evade income tax legally? Mr. Speaker, the more proficient you become in finding loopholes in taxation laws the greater your chances are in this country of being named a Queen's Counsel.

There cannot be different standards for different types of people. Most certainly, within the work force there are people who deliberately set out to defraud the Unemployment Insurance Commission, just as there are people who deliberately set out to cheat under any particular type of social policy or any type of legislation enacted in this or any other country. The important point is that we have an obligation to those who are working, to those who obtain unemployment insurance, to keep those abuses to the very lowest possible figure. That is why I hope, despite the concern of the NDP, that Bill C-125 will be sent to an appropriate committee of the House before second reading, in order that—

Mr. Speaker: Order, please. I must interrupt the hon. member for two purposes. First, I must remind the hon. member who has the floor that we should be discussing the bill before the House and not another bill which is on the order paper and which may or may not be considered by the House later. Second, I must advise the hon. member that his time has expired.

Some hon. Members: Continue.

Mr. Speaker: The hon. member can be allowed to continue only if he has the unanimous consent of the House.

Some hon. Members: Agreed.

[Mr. Mackasey.]

Mr. Mackasey: Mr. Speaker, I will take only a few minutes more. I appreciate the courtesy of the House, which is traditional I am glad to say. I have tried on third reading to make a case to opposition members who, on political grounds perhaps, might see some advantage in voting against the bill. If that were to happen, those on this side of the House would immediately let the unemployed of this country know that by that vote hon. members opposite are prepared to deny the unemployed their money.

Mr. Alexander: Oh, come off that nonsense, Bryce.

Mr. Mackasey: All parties agree on the basic principle of the act. Essentially, that has to do with removing one of the impediments to the unemployment insurance legislation that makes it difficult for the government to assume its main responsibility, that of providing the unwitting victims of unemployment a decent level of income to which they are entitled because they are unemployed through no fault of their own, because they are unemployed as a direct result of government action or government policy. I can visualize many occasions in future when, as in the past, governments will be forced into the position of creating temporary disruptions in the work force.

An hon. Member: It should never happen.

Mr. Mackasey: I have long felt that the high level of unemployment at the moment is due to a combination of factors, as I think many economists will agree. We have what is known as structural unemployment. There has been a shift in the Phillips curve. At the same time as we have experienced an abnormal growth in the work force we have been obliged by events outside this country to lower tariffs under the Kennedy Round, to meet competition from Japan, as the Minister of Finance said, to meet competition from Sweden, the United States and West Germany, and to attempt to invade the Common Market. We cannot do that by hiding behind high tariffs and encouraging labour intensive industries, especially if we expect to maintain our position as an exporting nation and create jobs for the future generations of this country.

Where I may differ with the NDP is that I say that accelerated depreciation, lower tariffs and incentives of various types are designed to make this country more competitive, to introduce new technology and to force inefficient industry to become efficient by purchasing new equipment. These things are bound to bring short range disruptive effects to the work force, but that is exactly the purpose of unemployment insurance, to help people who are temporarily unemployed for reasons beyond their control. However, it is the government's responsibility to force industry into a position of efficiency. Even then, it causes disruptive effects on the work force. I think the culmination of these reductions of tariffs as a result of the Kennedy rounds and the increase in productivity that is coming from machine rather than labour intensive industry at a time of abnormal growth in the work force has caused this lingering unemployment.