

to older employees and to communities where permanent plant closures and other large scale terminations affect substantial numbers of workers.

The legislation has two major components, the labour adjustments benefits program, and amendments to Part III of the Canada Labour Code.

The legislation is designed to promote closer consultation and co-operation between labour, management and government, by requiring management to take a more responsible attitude towards its employees, employees to assume a greater share in planning for their own future, and government to assist in those cases beyond the reasonable responsibility of the private sector.

The legislation derives from the recommendations of the Carrothers Commission which was appointed by the government in 1978 to investigate ways of mitigating the adverse effects of redundancies and layoffs.

Following the commission's report of March 9, 1979, the government conducted extensive discussions with business and the unions. The result of these efforts is the bill which we are now considering. This is a refinement and expansion of an existing program in which assistance is given to workers laid off in the textile, clothing and footwear industries. It will also permit the Governor in Council to designate as beneficiaries industries undergoing significant economic adjustment of a non-cyclical nature by reason of import competition, or because of industrial restructuring pursuant to a federal government program.

A labour adjustment review board will be created to screen for eligibility the applications from laid-off employees.

In order for an employee to be judged eligible, the board must be satisfied that he was laid off from a designated industry as a result of economic disruption, and that the number of employees at his work place had been reduced as a result of layoffs in the 12-month period preceding by at least 10 per cent or 50 employees, whichever is the lesser number. Furthermore, while the Canada Labour Code presently provides for a system of graduated lengths of time for notice to be given to the minister of a termination, depending upon the number of employees to be terminated, this legislation amends that provision so that any termination of 50 or more employees will require 16 weeks' written notice to the minister.

The laid-off employee, having received the approval of the board, will then be free to register his claim with the Canada Employment and Immigration Commission. The bill is in no way intended to duplicate or replace other provisions for assistance. However, the government wants the money appropriated hereunder to go directly to those in greatest need, so it will be the commission's duty to determine that the applicant is not in receipt of, or eligible to receive, retirement pensions under the Canada Pension Plan or the Quebec Pension Plan, and that he has claimed and exhausted all benefits under the Unemployment Insurance Act, 1971.

Normally, only laid-off employees between the ages of 54 to 65 will be eligible to apply for the benefit. However, the bill

[Senator Neiman.]

does give the commission latitude to lower the eligibility age to 50 on certain closely defined compassionate grounds. The public interest is protected further by the provisions that recipients be Canadian citizens or permanent residents, have a record of employment in the industry of at least 10 of the previous 15 years, and have no present prospect of other employment. These conditions having been met, the laid-off employee will receive payments equal to 60 per cent of his average weekly insurable earnings.

● (2100)

In addition to these generous provisions, the bill will entitle workers to severance pay after one year of employment rather than after five years as is now the case. The employee will continue to receive two days' wages for each completed year of employment and a minimum of five days' wages will be paid. The maximum of 40 days' wages now in effect will apply no longer. Employees will be required to establish management-labour committees whose members will be responsible for developing plans to minimize the impact of termination of employment, and under certain provisions the minister will be able to appoint an arbitrator to settle disputes during the planning stage.

Honourable senators, while the government does not view this bill as a panacea for all the problems stemming from structural changes in the economy, it nevertheless does provide an important measure of relief to those members of the work force who are too old to be reasonably expected to adapt to these changes. It will assist individuals who need and deserve our help and it will also assist the communities in which they live. Therefore, I urge honourable senators to give this legislation their serious consideration and support.

Hon. Duff Roblin (Deputy Leader of the Opposition): The honourable senator who has just spoken gave me the impression that the bill was targeted at senior employees who perhaps have been working for a long time and who could not easily be retrained or relocated. Is that what the bill specifically says? My reading of it is that it has a far more general application than that.

Senator Neiman: Honourable senators, I believe it is targeted primarily to the older employees because there are stipulations. In the first instance, the legislation applies to those employees between the ages of 54 and 65, which is the age at which they would be receiving other benefits. However, in certain instances exceptions are made, and the age is lowered to 50 to accommodate certain employees who otherwise would be harmed by the termination of employment.

Senator Roblin: I thank the honourable senator. That deals with my point.

On motion of Senator Doody, debate adjourned.

BUSINESS OF THE SENATE

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators, as I mentioned earlier, I now ask leave to have the following order brought forward to be dealt with at