

province of Newfoundland. The majority of the people who are unemployed, statistics tell us, are the very group that the bill will lean on most heavily—the group with dependent children.

The minister has done a great job of administering the LIP program. He has involved members of parliament in LIP decision-making and as a result has taken away some of the administrative burden from his own shoulders. He has involved us all in the LIP program. But I would tell him that this is not the way to reform the Unemployment Insurance Act. This is not the kind of reform that the members of this House want. Indeed, I would say that the majority of the members of the House, if they voted according to their conscience, would vote against that particular provision in the bill. The people who will be affected by it the most are those who live in provinces where unemployment is highest, namely, the Atlantic provinces and the province of Quebec.

Coincidentally, these are the provinces where the largest families reside. According to statistics, families are larger in Quebec, Newfoundland and the Atlantic provinces generally than any other part of Canada. These are the people who will be hurt the most by this particular provision in the bill, and I hope that before the bill is given third reading the minister will reconsider it.

While it is true to say that inflation hurts us all, it hurts the low income earner the most. I reject the argument that because a man is receiving unemployment insurance the state has discharged its obligation to him. Notwithstanding that he may be receiving unemployment insurance and family allowance benefits, the fact is that he has to devote a disproportionately greater amount of his disposable income, the little that he has, to the purchase of food. Food inflation in Canada is taking its highest toll at the present time.

A man in receipt of \$75 a week unemployment insurance and \$25 a week family allowance, which means he would have to have five children, has \$100 a week to buy food, clothing, shelter, transportation and education for himself, his wife and his five dependent children. I ask members of this House, given the situation that we have in Canada today, with high food prices, high fuel prices, with the cost of everything disproportionately high as a result of the inflation that we are suffering, to try to imagine how anyone can live adequately and provide their children with an adequate diet on \$100 a week.

For this reason, I hope the minister will reconsider this unjust and iniquitous provision of the bill. It will do great injustice to this particular group in society which is already suffering the most—the low income earner with a large family. He cannot help it if he is unemployed. He does not want to be unemployed. He did not bring on the monetary and fiscal situation in Canada that has created the recession we are now experiencing—7.3 per cent unemployment nationally, in excess of 10 per cent in the Atlantic provinces and 18 per cent in Newfoundland—but he has to suffer the consequences of it. Why should we increase the price that he has to pay by reducing the little extra benefit that parliament in its wisdom put into the act to take account of the extra burden he has to bear owing to his low income and the large family that he has to support?

Unemployment Insurance Act

The other group that equally cries out for justice is the old age pensioners. They suffer even more because their income is fixed. I know their pensions are now indexed, which does help them in some small way, but nevertheless they watch their limited pensions being reduced in spending power monthly by an inflationary situation in Canada with which we have yet to come to grips. Take the case of the old age pensioner, man or woman, whether they worked all their lives or made a contribution in some other way: the fact of the matter is that in this bill we are adding to their burden by eliminating them from the unemployment insurance rolls. Secondly, and equally unjustly and iniquitously, we are removing the incentive that we presently provide these people, with their accumulated fund of knowledge and experience, to stay in the work force.

Many old age pensioners in this country write to members of parliament pointing out that they fail to understand how their representatives here can consider putting such a provision as this in an unemployment insurance bill, let alone pass it into law. The old age pensioners of this country are entitled to unemployment insurance as of right because they have paid for it. Their desire is to continue to be part of the work force. Obviously, the provisions of the act cannot apply to old age pensioners who are no longer part of the work force, and no one would want the act to apply to them. But what about the thousands of old age pensioners in Canada who are forced to retire at the age of 65? They want to continue to work, they register for employment with Manpower, and they rightly feel, having paid into this scheme all their working lives, that they are entitled to its benefits while waiting for the government to find them new employment. Yet these are the people we are eliminating from the unemployment insurance rolls of this country. This is unjust, unfair and cruel, and I hope the minister and his government will reconsider this provision.

The third aspect of this bill that has disturbed me is the changing of the benchmark, which will have the concomitant effect of increasing unemployment insurance deductions. Once again, who will have to bear the heaviest burden of this increase? Who will have to pay the highest price? Who will have to suffer most as a consequence? The answer to these questions is, the low income earner of this country and the person on fixed income who spends such a disproportionate amount of his disposable income on food, clothing and shelter and who sees his income dwindling still further by having to pay increased unemployment insurance contributions. This will be the situation if the provisions of this bill go through the House. These are the three aspects of the bill that bother me.

● (1600)

I hope hon. members will sufficiently impress the minister so that he will reconsider this measure in this period of high inflation and high unemployment. We all hope there will come a time somewhere down the road when we will have inflation and unemployment controlled at acceptable levels. Perhaps then, and only then, should we consider bringing in this punitive type of legislation which will rest so heavily on the working poor, pensioners and those on fixed incomes in this country.