

*Committee Reports*

**Mr. Allmand:** Thank you very much, Mr. Speaker. I want to remind you, Mr. Speaker, that in November of 1984, soon after the election of 1984, the Minister of Finance (Mr. Wilson) rising in this House tabled a financial statement in which he spoke about a broad range of cuts in Government and an approach to what he called fiscal responsibility of Government.

In making that statement in November of 1984, he said that there was an urgent need to reform our unemployment insurance system and that he was going to set up a commission to review the unemployment insurance system and to recommend changes. That was in November of 1984.

In July of 1985, some seven or eight months later—one might ask what that says about the urgency that the Minister of Finance mentioned in November of 1984—but in any case, in July of 1985 the Government set up a Royal commission, known as the Forget Commission, to examine and to recommend on changes with respect to the unemployment insurance system. That commission, the Forget Commission, sat and heard witnesses and travelled across the country for one and a half years, and it cost Canadians approximately \$7 million. It tabled its report in November of 1986. In that report the Forget Commission made approximately 35 recommendations concerning unemployment insurance.

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At that point the Standing Committee on Labour, Employment and Immigration had the report referred to it for additional study. That all-Party committee immediately set up a series of meetings both inside and outside of Ottawa. The hearings went on for more than three months, and finally the committee produced a report containing 90 recommendations. That report was tabled in this House on March 19, 1987. Immediately after tabling the report I moved a motion that this House concur in the recommendations of that report.

I want to make it absolutely clear that the report was almost unanimous. This was before parliamentary reform and I believe there were more Members on the committee then than there are now. However, it was unanimous except for two recommendations out of the 90. Recommendation No. 17 was subject to two dissenting votes, and another recommendation was opposed by one vote. What did the Government do? After several months of study the then Minister of Employment and Immigration totally rejected the recommendations of both the committee and the Forget Commission. This despite the fact that the Minister of Finance said in November of 1984 that reform of unemployment insurance was absolutely necessary. This despite the fact that a committee of this House unanimously recommended serious reform of the Unemployment Insurance Act.

For example, a principal recommendation was that unemployment insurance should be available to part-time workers. As we all know, the long-term trend since 1980 in the number of part-time workers has been going up. Management of many

businesses are laying off full-time workers and replacing them with part-time workers. In a way that explains how the Government can boast of creating more jobs. Of course it is easy to create more jobs when you do away with one full-time job of 40 hours a week and replace it with two part-time jobs of 20 hours a week. You double the number of jobs, but it is part-time jobs replacing full-time jobs.

Not only that, if those part-time jobs involve fewer than 15 hours, the workers do not qualify for unemployment insurance. Not only that, they usually do not qualify for pension or health benefits. Shifting your workforce from full-time to part-time is a way of lowering the cost of salaries and benefits for your workers.

The committee also recommended that there be extended maternity and child care benefits under the unemployment insurance system. It also made an excellent recommendation that those on unemployment insurance be allowed to take training which would give them a better chance of finding employment. As we know, a good number of people who are laid off and collecting unemployment insurance benefits very often do not have the qualifications or training to get the jobs that require a higher technology and new skills. Under the present law you must be ready and available for work in order to qualify for unemployment insurance. If you go off and take a part-time education program or part-time training program you lose your unemployment insurance. We think this is a bit ridiculous and the committee unanimously recommended that in that case you be allowed to keep your unemployment insurance benefits.

The committee also made a very excellent recommendation with respect to strikes and lock-outs. Let us say you have a large industrial plant with several unions. One union goes on strike and the others do not but the company shuts down and the non-striking workers are locked out or laid off. They cannot collect unemployment insurance. That issue went to the courts, and it is true that the courts ruled in those circumstances that the workers who are laid off because of a strike should be eligible for unemployment insurance. However, this should be clarified in law.

There were also excellent recommendations with respect to overpayments. Members of this House from all Parties are faced time and again with constituents who tell them horror stories of how they, by a mistake not of their own making, received unemployment benefits that were too high. This sometimes would go on for five or six months. Finally the UIC realizes its mistake and tells the unemployed worker "We have paid you \$3,000 or \$4,000 too much, give it back". It has been absolutely cruel and harsh in its approach to those unemployed workers. The money they receive is less than their salary or wage, it is used to pay rent, buy groceries and so on to keep them going while they try to find another job, and how are they to pay back thousands of dollars to the UIC because it made a mistake?