

between the day on which you are laid off and the moment of establishing your claim, you are ineligible. If you become sick and are laid off for that reason, you are not eligible. What we are saying, to simplify the matter, is nothing more than this. If you are laid off as a result of sickness, we are willing to weigh the conditions under which you can draw unemployment insurance if you are ready, willing and able to draw unemployment insurance. We will be prepared to recognize the fact that, because of a legitimate illness, you will not be able to work during the prescribed period of between two and 15 weeks. I think that all those who have looked in horror at this plan will understand that this is logical.

Another source of unintentional abuse has been seasonal benefits. As of November this year, seasonal benefits will be eliminated. These have been a source of abuse in a sense that many people were drawing unemployment insurance in our harsh winters who were not supposed to be drawing it. This plan is part of a total, social plan and is directed towards and earmarked for that particular group of Canadians who have contributed to and are normally part of the work force. The payment of seasonal benefits, as most hon. members know, stems from nothing more than a relaxation of the normal rules and regulations that apply during the rest of the year. We are paying unemployment insurance benefits in the winter months to many people who cannot really say that they are legitimate members of the work force. There are people who have collected stamps or the necessary attachments 24 months ago, say, and they can take advantage of the loophole. In addition, of course, seasonal benefits are no longer needed because one has only to be attached to the work force for eight weeks to qualify. This is basically the logic behind dropping seasonal benefits. I think, and I may be mistaken, that even if the present rules are relaxed a person must have 15 weeks of contributions to be able to draw seasonal benefits now. There may be some variation of that formula. Now, people will be able to draw seasonal benefits if they have a period of eight weeks of attachment to the work force.

Another source of abuse—and I use the word “abuse” in the sense that it can be demonstrated that the group I am about to refer to draws an awful lot of money out of the plan in comparison with the amount it puts in—has to do with people who are over 65. We have discussed this with many of their representatives. People drawing the Canada Pension Plan or the Quebec Pension Plan have indicated to all of us that they are prepared to withdraw from the work force. Many such people in all probability are drawing the old age pension, supplemented by some payment, I suppose, which is based on a needs test. They could very well be drawing a company pension as well. We do not feel as some felt in past periods of Canadian history, and I am referring to 1940 when the act was brought into force and to subsequent decades, that the average person over 65 should be forced to work. The Canada Pension Plan was introduced to make it possible for senior citizens to live in dignity. We now suggest that people who are over 65 and drawing Canada Pension Plan benefits are out of the work force. If they remain working they are not obliged to pay unemployment insurance premiums, but when they cease

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working they will not draw unemployment insurance. The relationship between their other pension plans and the unemployment insurance benefits they may draw is something we can discuss at the committee stage.

● (4:20 p.m.)

I made a promise in the white paper which I will repeat today. The fishermen will remain in the unemployment insurance plan until such time as a suitable plan is brought forward by another minister that is acceptable to their representatives and which in effect provides some form of insurance for these people. I am not talking about all fishermen. Many fishermen are easily identifiable as legitimate employees. I am talking about employer fishermen, the type who share their catch, but who have been identifiable by regulation as being employed. We will continue this until such time as a suitable alternative plan is brought in through legislation which is acceptable to the fishing industry.

Mr. Douglas: Will the minister permit a question? The minister has quite properly stressed the principle of universality. I think the new group being brought in represents a forward step. I ask the minister why we are then taking the backward step of taking the fishermen out of the unemployment insurance. I appreciate his statement that some other plan will be introduced. What is the rationale behind removing the fishermen from the Unemployment Insurance Act?

Mr. Mackasey: I do not want to get into a debate on the little issues. The rationale is that at the same time as I am bringing in this plan, I want to eliminate as much as possible anything that can be considered as having a welfare connotation. This is one of the legitimate criticisms of the plan across this country. Incidentally, anything that may be considered to be a welfare insurance plan becomes available when the government pays the cost rather than the employer and employee. I am not talking about fishermen in general but only a particular group, fishermen who can be identified normally as adventurers or self-employed people in the same way as self-employed machinists or self-employed lawyers. Many fishermen can be easily identified as self-employed.

A problem arose. Some of them earned \$20,000 a year, but the bulk only earned a subsistence income. Ways and means were found which, in effect, stated that despite the fact that someone was classed as an employer, for the purpose of drawing unemployment insurance he is an employee. We are trying to be consistent in our approach to universality in the sense that we are trying to extend universality as widely as possible to people who can be identified as being employed, and identify that person's employer. This is not quite true of fishermen who sell their catch to a broker or dealer and, as part of the payment for the catch, ask the dealer to act as an employer for the purpose of providing coverage in stamps. I do not think the fishermen are particularly happy with this arrangement, but it has been traditional. It has been the tradition for 12 or more years. I made it quite clear in the white paper that we intend to continue this practice for the time being.