

Unemployment Insurance Act

Mr. Andras: I do not say that all these people have lost their energy, ability or competence. That is not the issue which I am arguing.

Mr. Nystrom: And they are not all in the Senate.

Mr. Andras: However, 65 years is the age at which we find a convergence of some programs specifically designed for the benefit of those whose desire to continue in active work is tapering off. We recognize that that is the age with respect to which society is prepared to make special efforts, particularly in terms of financial support. For example, we have the Canada Pension Plan, revised this year. It is available now, without a means test, at age 65. We have old age security, which is basic support for all and a universal plan. We have the guaranteed income supplement. We have, of course, moved to assist in terms of some support, recognizing spouses of people aged 65 provided those spouses are 60 or over. There are tax exemptions, too, that have been made available especially at that age. Indeed, some of our housing programs also recognize that that is the age at which special housing assistance should become available.

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One can argue that there needs to be more basic support programs in terms of amounts made available to what we call, for want of a better expression, perhaps, senior citizens. However, it is not inconsequential, the totality of the funding that has been invested to provide for this group of people and the tremendous increase in that funding over the years, particularly since 1971. Many members have put on the record the individual monthly incomes available through the Canadian Pension Plan, old age security, guaranteed income supplement and the like. However, in this sense of responsibility of allocation of what are, even in this country, limited resources requiring proper allocation, it is important to put on the record the magnitude of that assistance. In 1971 the expenditures under the old age security, guaranteed income supplement and Canada Pension Plan retirement programs totalled \$2.267 billion. In 1975, those expenditures are expected to reach \$4.315 billion, including the cost of benefits under the new spouses allowance program. That is an increase in expenditures, over four years, of over \$2 billion a year, an increase in current dollars of some 90 per cent.

It can be argued that on the basis of the maximum combined old age security, guaranteed income supplement and Canada Pension Plan being \$150 monthly in 1971, this has gone to something like \$285 or \$286 a month in 1975 with a further increase due in January. You can look at the individual payment and say it still requires bolstering. I would not say nay to that, but \$2 billion or a 90 per cent increase in those government pension plans triggered at age 65 should cause us to ask whether the unemployment insurance program, which is not designed to supplement retirement, is the place to be further bolstering such a supplementation. We do have, as I indicated on other occasions, some other difficulties in this particular category.

My honourable and very respected friend, the hon. member for Davenport (Mr. Caccia), indicated—and this view is shared by others—that perhaps we should get at

[Mr. Knowles (Winnipeg North Centre).]

this problem administratively. The question of administrative difficulties is not the only reason we made the decision to place this amendment before the House. That is not to say that this is not an area of very great difficulty. Labour force surveys by Statistics Canada calculate the number of unemployed. By extrapolation, we see that the average number of unemployed persons 65 years of age and over at the end of every month of 1974 was a little in excess of 7,000. We also note that the average number of claimants drawing unemployment insurance at the end of those months in 1974 was in fact 17,500.

Hon. members can say that the administration should be tightened up. There is a bit of ambivalence, an almost schizophrenic reaction on this point from some parts of the House. They say we are already being discriminatory in the benefit control operation but they are now also saying to the commission that they really should get tougher. People of this age already attract one of the highest disemployment rates. That indicates there has been a firm approach to it. The suggestion that we do this administratively and separate the 7,000 from the 17,500 can certainly only imply that we have to get a good deal tougher. But that is not the only reason for amendment. It is the combination of several considerations and the need for rationalization of our programs—a word I sometimes deplore but it gives the meaning I have to convey—that is the rationalization, not in any insensitive way but I firmly believe that we must preserve resources so that we can allocate them through the proper programs and in the proper manner.

At this stage, for whatever reason, we have collectively, as a society, decided that 65 is the significant age at which the special assistance programs are triggered. That, then, is the age that we should look at when switching allocations from one program to the other. I might say that a \$2 billion increase in government pensions over the last four years is not insignificant.

I respect the arguments presented, which stem to a great extent, from an emotional response to this age group which we all share. We know that \$2,800 or \$3,000 pension per year is not a great deal. It is argued that people of this age should be allowed to continue in addition to take the average \$2,800 of unemployment insurance after age 65 when the interruption in earnings occurs, over and above these pensions. If you want to use that argument, you must remember that at age 65 they have the Canada Pension Plan, OAS, available to them. If a man aged 64 has an interruption of earnings, he does not have that extra assistance available to him. In fact, he is totally dependent on unemployment insurance. I really think there is a slight gap in that argument.

I also think it is stretching the argument to imply that by this amendment to the Unemployment Insurance Act we are in fact having an influence or effect upon the access of people 65 years of age and older to work. It does not have anything to do with their ability or access to work if work is available to them and they want to continue to work. Nothing in this amendment prevents them from continuing to work. We have been over this ground many times. I say, again, this is a rather joyless necessity and responsibility. Nevertheless, I believe at this stage it is a proper step to take.