

and longevity that at times it makes the right choice, which may not be recognized or appreciated at the particular moment, but generations that come after receive the full benefits of their judgment.

In this case, hundreds of thousands of Canadians are benefiting from the existence of the unemployment insurance system. It provides a basic income floor and ceiling for many thousands of Canadians at this time. Without the unemployment insurance system, certainly the tragedy and severity that unemployment brings would be that much more severe for many individuals. The existence of the unemployment insurance system provides a certain degree of continuity during this period when we face such high rates of unemployment. If for some strange reason we were not to let this bill go through, the consequences could be very dramatic. We would be faced with conditions in parts of Canada that none of us would like to contemplate.

[Translation]

For instance, Mr. Speaker, I have estimated that over 300,000 people receiving unemployment insurance benefits would otherwise not be paid. In addition, most of these people, and there are now 83,000, are from Quebec and the Maritimes.

[English]

We can see the difficulties that would be faced by a large number of Canadians if this bill did not go through. The obvious need for it is there. This is not something that is new, untried or innovative. It is simply a bill to maintain the present system for a period of one year.

I owe an explanation to the members of the House as to the progress or state of development in terms of the over-all reform of the Unemployment Insurance Act which we initiated over a year ago when we brought forward the task force report on unemployment insurance. At that time the feeling of many members of this House was that a general review and assessment of the entire unemployment insurance system was required. We therefore brought in a task force report which had as its objectives the need to streamline the system and to ensure that many of the administrative difficulties and peculiarities could be changed and altered.

Second, we indicated that there was a need for greater equity in the unemployment insurance system. Many repeaters or new entrants coming into the system for the first time are penalized under the existing act. With regard to those who now require a 20-week entrance, we should look seriously at how we can reduce their eligibility needs. At the same time, there are other parts of the act in the area of social equity that need to be reformed. I refer to the need to change substantially the benefits under the maternity provisions.

Many women have quite rightly complained that the requirements under the maternity provisions are inequitable. We agree with that. That is one of the areas of reform we propose to examine as well as the provisions that apply to adoptive parents. That matter has also been brought to my attention many times.

#### *Unemployment Insurance Act, 1971 (No. 2)*

There is also the fundamental question of cost. It is a fundamental issue to be raised in this House. The unemployment insurance system is presently a \$5 billion item shared jointly by employers, employees and the government. This is a very large expenditure. It is obviously of some concern as well that we find ways to ensure that the administration and delivery of the system is efficient and is cost-purposeful.

We want to examine very clearly the impact of the unemployment insurance system on income and the redistribution of income in this country. It is a matter of real concern that there are regions in this country which face high, chronic unemployment, not just in the phase we are going through, but for a continuous period. It is important that the unemployment insurance system be utilized to provide for some levelling of equal treatment of those who are faced with those conditions.

At the same time, we have examined ways in which we can make the Unemployment Insurance Act somewhat more creative in terms of using the unemployment system to help people train for new skills of work on community projects during periods of unemployment. This will bring about a number of beneficial results to the community and at the same time allow the community to retain very important skills and a work force.

All of these proposals were made in the task force report. It was my clear commitment at that time that we would not proceed with any of these major reforms or changes without very widespread discussion and consultation in this House and throughout Canada.

Over the past year we engaged in a very wide-ranging process of discussion and consultation with labour groups, business groups, community groups and social organizations. As one would expect, there were a number of conflicting points of view. Because there have been some suggestions from time to time that the task force report and recommendations in it are government policy, I want to underline very clearly that they are not. They are simply recommendations to the government to be considered in light of the discussions and consultations we engaged in over the past year.

Equally important, as we are now revising and condensing those recommendations and consultations, is that we come forward with a package of reforms which would give Members of Parliament a full and open opportunity for fair examination and detailed discussion.

The Unemployment Insurance Act is far too important an ingredient in our total economic and social framework for us to ignore. It is our intention and desire to provide the time in which we can have a very open and clear discussion in this House on the recommendations we bring forward.

It was discouraging to us that that kind of discussion could not take place within the time restraints of this session. We all know how occupied the parliamentary agenda is with a number of very important measures on economic matters. It was clear that we would not be able to alter as much as we would like the full-ranging discussion that the unemployment insurance bill would demand. Therefore, it seemed to make sense