

Unemployment Insurance Act, 1971

ing period. So far, that is under the present act, the waiting period was of one week only and it is now proposed to extend it to two weeks. This is sheer nonsense if you consider the increase in the cost of living and the immediate needs of all Canadian families.

As to disqualification notices—another point I wish to deal with—the Commission should spell in bold type that the claimant may appeal the decision and submit his case to the arbitration board, and this at no cost to him.

Unfortunately, under the old legislation, the invitation to excluded unemployed people to put their case before the board of referees did not appear most of the time on the forms. In other cases, it was on the back of the form but in very small print.

To me, the Unemployment Insurance Commission in this regard could unfortunately be compared to bad insurance companies whose contracts are drafted in such a way that they can pay as little compensation as possible.

We know that in many fields the government was remiss about its responsibilities. Since many workers are unemployed at the present time and former employers are not there anymore we must more than ever reconsider the eligibility to benefits for certain employers in adverse circumstances following the failure of their concern. Those people were once considered as employers since they were employing workers and on account of special circumstances their firm became unprofitable. After having contributed to the Unemployment Insurance Fund as employers, they cannot get any benefits.

We know some of those former employers who contributed largely to the Unemployment Insurance Fund since its foundation and who are now facing serious problems.

Since all members are eligible to a pension after a few years in Parliament, even after defeat, it would be logical to afford real protection to all those who helped to build this country as we know it today.

I should like to deal also with the problem of many workers who are not eligible to unemployment insurance benefits because they worked for several employers. Among those people we find carpenters, labourers, painters and craftsmen of all skills who, at different times, have participated in various kinds of works. In my opinion, we must find a means whereby those people can prove that they have worked over three, four or six months.

In our upside-down system, the Canadian people and mainly the unemployment lack everything because there is too much of everything. Those who went through the recession period of 1929 to 1939 are still convinced that our system is absurd. The fact that the planners and researchers hired by the government over the last 30 years have not yet found the causes of unemployment nor permanent remedies is enough, I think, to incite the young people to proceed to a true personal analysis of the present situation and of the solutions put forward by the members of the *Ralliement créditiste*.

It is true that this bill makes a lot of publicity for the government since it provides for the possible payment of

[Mr. Godin.]

\$100 in weekly benefits but we know quite well that the number of unemployment that will get this amount will be quite limited.

Also about this new legislation on which new regulations will be based, I only wish one thing: That all the unemployed be included. In fact, their problems are complicated enough already without their having to suffer from the ill effects that usually accompany the initial implementation period of any new legislation.

Mr. Speaker, I will conclude my remarks while reserving the right to make further comments and possibly propose amendments at another stage of this debate.

[English]

Mr. Norman A. Cafik (Ontario): Mr. Speaker, since the publication of the white paper on unemployment insurance I have received a great deal of correspondence and communication from the people in my riding expressing their concern with the contents of the white paper. I must say that the vast majority of conversation I have had with my constituents supports the general principles outlined in that document.

I would like to review some of the issues that have been discussed in respect to Bill C-229. Many have expressed concern that the proposed plan would remove the concept of mutual insurance under the present plan in which there is an entitlement of one week's benefit for every two weeks attachment to the labour force, to a maximum of 52 weeks of benefit. This concern would appear to be based on the mistaken assumption that insurance principles require benefits to be related more to the number of contributions made than to the loss against which they are insured. In fact, I suggest that the opposite is the case, since the first premium normally provides complete and immediate protection.

● (8:50 p.m.)

With this philosophy, neither fire, life nor automobile insurance is true insurance. In this context, the proposed plan adheres more to insurance principles than the present act. Duration of benefits will be determined by the time needed, based on statistical probabilities, to become re-employed, and not to the previous number of contributions which is not relevant to the earnings loss being experienced. Of course there will be some people with only eight weeks of contributions who will draw up to 44 weeks of benefits, just as there are those who after one or two premium payments will collect for a fire loss or a damaged automobile. This is a normal insurance situation.

Others have criticized the proposed plan as moving away from insurance and closer to welfare. I think the opposite is closer to being true. Benefits are still related to previous earnings and not to need, as with welfare, and in the case of welfare there is normally a means test. In this case there is none whatsoever. Further, the present act includes several welfare aspects which will now be eliminated. These were added since 1940 and ignored the basic insurance principle that only a small percentage in any group of contributors will in fact become beneficiaries. They include the payment of benefits to those in