

Adjournment Debate

unable to respond to my question. I certainly accept the fact that every minister cannot have every answer at the tip of his tongue. However, he then provided me with a follow-up letter which gives me cause for further concern.

It should be noted at the outset that this matter was brought to my attention by a railroad worker in my constituency and only affects seven railroad workers within Kootenay West. They work for the Burlington Northern Railway. These are Canadians working in Canada but subject to U.S. benefits only. If you examine the system across Canada as I have, Mr. Speaker you find there are some 12 U.S. railroads operating in Canada employing some 1,000 Canadian workers.

In responding to the concern that I have regarding the fact that these employees receive U.S. unemployment insurance benefits and not Canadian benefits, and that there are some serious questions that have to be asked about their pension benefits, the minister stated, to quote from his letter:

The United States Railroad Unemployment Insurance Act predates Canadian unemployment insurance legislation. It was designed specifically to take into account the peculiarities of employment by U.S. railroads. For example, benefits may be paid to workers while legally on strike. Also, the R.R. U.I. Act paid benefits in the event of sickness before sickness benefit was allowed under Canadian U.I.

I accept that Mr. Speaker, but that is in the past. In fact, it is some time in the past and fails to deal with the present. It is the present that I and the railroad workers are concerned about. It is all very well to refer back to 1971 and some Canada-U.S. agreement, but this is 1978, some seven years later, with some very substantial changes in our social system, unemployment insurance benefits and pension plan.

The minister went on to say that the benefit rate under railroad unemployment insurance is 60 per cent of wages up to a maximum of \$125 per week, and that this is less than the present maximum of \$160 per week under Canadian unemployment insurance benefits. I heartily agree.

He then draws in a red herring dealing with the period of time American workers are covered for sickness benefits compared to Canadian workers. Our period of 16 weeks is realistic. The United States seems to believe that 26 weeks is realistic. That is beside the point. The fact remains that the benefits are totally different in the United States. They receive 60 per cent of wages up to a maximum of \$125 per week, whereas we receive \$160 per week under Canadian unemployment insurance benefits. The minister went on to say:

To bring the railway workers now covered by U.S. R.R. U.I. into the Canadian U.I. program could adversely affect those workers. Where, for example, they work partly in the U.S.A. and partly in Canada, only their earnings from employment in Canada could be taken into account in determining the benefit rate. This could have a depressing effect on the benefit rate.

That is another red herring. I am sure the minister has absolutely no knowledge of how many railroad workers work for American companies in Canada. I am sure he has absolutely no knowledge of how many work on both sides of the U.S. border. I can say there are very few. Therefore, that particular argument carries no weight whatsoever. Finally, the minister says:

[Mr. Brisco.]

● (2227)

Finally, it might be pointed out that for the above mentioned reasons the United States R.R. U.I. Act was specifically excepted from the U.S.-Canada reciprocal agreement on unemployment insurance.

That was in 1971 and bears no relationship to the situation today.

I should like to make a quick comparison of the pay benefits. Under the CN system the termination benefits are as follows. Up to one year, the contribution is refunded. From zero to 15 years the contribution is refunded with interest. The CP system provides that from zero to five years the contribution is refunded, and from five to 15 years, it is refunded with interest.

In the United States, if an employee has put in ten years he can obtain those benefits; but in the case of a Canadian worker employed for less than ten years those benefits go back to the estate of the railroad worker. Mr. Speaker, there are a lot of railway workers in Canada today who have no idea the pension benefits will accrue to their estates. In effect, they are being denied those benefits.

I object to the present system and I intend to do everything I can to bring about a change through a private member's bill so that Canadian workers receive the Canadian benefits due to them, rather than the lesser U.S. benefits.

Mr. Roger Young (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I have the pleasure of making a reply this evening on behalf of the Minister of Employment and Immigration (Mr. Cullen). It appears to me the minister has already conveyed to the hon. member a great deal of the information which is on hand.

First, it is important that I put the issue into its proper perspective. The United States railroad unemployment insurance act covers only those employees who work for U.S. railroads. It was created as a U.S. federal act, as opposed to individual state unemployment insurance legislation, in order to ensure that employees working for railroads in the U.S. had adequate coverage even though they work in several states or Canada throughout the course of a year.

Canada has a reciprocal agreement with 50 of the states and several U.S. territories in order to ensure satisfactory administration of payment of unemployment insurance benefits from respective programs and to guard against duplication of coverage. This reciprocal agreement explicitly excludes those covered under the U.S. railroad unemployment insurance act for that reason. Also, Mr. Speaker, the R.R. U.I. act paid benefits in the event of sickness before sickness benefit was allowed under the Canadian Unemployment Insurance Act. The benefit rate under R.R. U.I. is 60 per cent of wages up to a maximum of \$125 per week, but these payments are not taxable under U.S. law. This may be slightly less than the present maximum of the taxable \$160 per week under Canadian Unemployment Insurance, depending on the income tax position of the recipient. However, benefit duration both for sickness and shortage of work is 26 weeks, with the possibility of a further 26 weeks of extended benefit under U.S. law. It is