

*Unemployment Insurance Act*

● (5:00 p.m.)

If a person is out of work he receives unemployment insurance benefits and he may be on welfare or may be getting payments from the compensation board. One way or the other, the benefits still come from our economy. If we had a plan that was truly an unemployment insurance plan, then there would be a saving in connection with all the other plans whether they were federal, provincial or local. A comprehensive scheme would not cost the country any more and would be of benefit to our productive capacity. I fail to understand how we are gaining anything from constant amendments to a plan which, it has been recognized, does not work. Surely, it is high time the government undertook a study of the problem in order to formulate a workable plan. One recognizes that today shifts in labour will cause unemployment. A plan should recognize that every now and then these workmen have to be re-educated or retrained. The plan should be one in which labour has confidence that in times of unemployment the workers will be able to maintain themselves at the standard of living they have created. They will be more secure and more productive, and that is the essential aspect of any insurance scheme. We should take away any element or risk which interferes with a man's ability to contribute.

I do not say that we are going to do this immediately. I only mention these things because I believe it is high time the government faced this issue, instead of introducing more amendments to the present plan. A white paper could be produced or a study undertaken by a committee of the house to investigate a completely new concept of unemployment insurance. The plan should be one which would assure the labour force of this country that when they lose their jobs their families will not suffer, and their standard of living will not deteriorate.

**Mr. J. H. Horner (Acadia):** In rising to take part in this debate, one has to review the whole question of unemployment insurance. I believe the country has accepted this plan as a means of maintaining a certain amount of buoyancy in the economy, even when there are large numbers of people unemployed. In a way, if my friends from Alberta do not object, one could say we are applying a bit of practical social credit to Canada. But is it working to the best advantage of the economy of Canada, and could we not improve it more than this bill attempts to do?

The hon. member who preceded me said it was high time a complete study was made of this question. Five and a half years ago the then government referred the whole question of unemployment insurance to a body commonly known as the Gill committee, which in due course brought down a report. I should like to say at the outset that I am very disappointed to find that this Bill C-197 is a mere continuation or enlargement of many of the abusive practices carried on under the Unemployment Insurance Act over the past number of years. None of the major recommendations outlined in the report of the Gill committee have been incorporated in this particular bill.

At page 103 of the Gill committee report there is the following recommendation:

—we believe that a plan of unemployment insurance should be designed to take the first impact of unemployment and should be based on insurance principles appropriate to a social insurance scheme—

Surely, Mr. Speaker, this is the essence of the question. We must first determine what we want. Are we to have an insurance scheme? If so, then let us prepare a scheme that is truly an insurance and is economically sound. If we are not to have an insurance scheme but merely an additional welfare system—a guaranteed income, some Liberal members in the present cabinet have suggested—then let us call it that. Surely, Mr. Speaker, the government could have produced a better amendment to the act than the present bill during the five and a half years since the Gill committee reported.

Then at page 105 of the report appears this paragraph:

Under the existing plan, benefit may be paid to seasonal workers during their off season, even though they have never worked in the off season and have no expectation of doing so.

So it appears, Mr. Speaker, that there are people in Canada who are seasonally employed and have no intention of working for the remaining four, five or six months of the year, yet under the unemployment insurance scheme they are paid in any event. Surely this does not constitute sound economic practice. Certainly it does not create any incentive for these people to work and improve their living conditions in this young, virile, growing country of Canada.

Generally, Mr. Speaker, I think everyone would admit that Canada needs more people. People are perhaps the one thing that Canada lacks. Yet it is commonly accepted that many Canadians are not prepared to spend any