

Unemployment Insurance Act

because their contributions were based on small wages which did not provide a reasonable pension.

In this category we find people who have difficulty finding employment. For the most part, we are not talking about people who are in good health. Almost everyone in this category who has worked hard for a long period of time has a physical disability of one kind or another. I agree with the chairman when he says that the jobs many of them are capable of performing in the community—are limited to night watchmen, flagmen on a highway, janitor in a public building. These are minimum wage jobs, available to people not in the best of health. They have difficulty in keeping jobs, however.

● (1540)

It is a fact that these jobs are of short duration, as are many of the menial tasks performed by our senior citizens who should, therefore, be offered the benefits of unemployment insurance. Many of these people desperately need employment; they need a guarantee against unemployment. The minister says we have increased the old age pension, the guaranteed income supplement, and we have added medical care and, under certain circumstances, have added the spouse who is under 65. All these things do not add up to very much money, and unless people are able to find continuous employment they will be dependent on the social security structure most of the time.

There was considerable difficulty last time when we integrated the two sections covering the same subject, but if the claimant were aware of all the facts he could decide whether to apply for the Canada pension and take the pay-out, or continue making contributions and forgo the payment of the Canada pension. I suggest it would be a mistake to change the act to make it mandatory for everyone over age 65 to apply for the Canada pension. That means that the person who has retired and gets into the three weeks' pay-out is finished as far as unemployment insurance coverage is concerned. That seems to me to be rather unfair.

Many people have made that kind of decision in relation to the Canada pension, and indeed many members of this House made that kind of decision in regard to their own pension plan, whether they wished to take advantage of the benefits that may accrue under one section or another. It is an individual decision. It should also apply to applicants for unemployment insurance if there has been a major attachment to the labour force. Of course, there will be many people who have never had an attachment to the labour force and at age 65 are faced with entering the labour force. I presume these people would not be entitled to start contributing because there will actually be nothing for them to fall back on. It would really be using the pyramid system: those who are paying would be supporting those who are drawing. The unemployment rate under this government is too high to make that possible or desirable.

Long before a pension plan was introduced in this House—which later became the Canada Pension Plan—I had asked for years for the establishment of a contributory pension plan that would be portable. We were in favour of a plan that would pay 50 per cent of wages upon retirement. With the rampant inflation there is in the country

[Mr. Peters.]

today, 75 per cent or 80 per cent of the best five years' earnings would be necessary. It just is not possible for the social security system to be used as a retirement plan.

It has been pointed out that some of our senior citizens still have families to support, so I should like the minister to reconsider this whole question of the mandatory cut-off at age 65. Some people are not in any difficulty when they reach age 65, but there is another group of people who are, and after a lifetime of struggle in the labour force—many of them started work at 14 years of age—it seems to me we could be a little more generous without abusing the principle of insurance for people in this age category.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I should like to say a few words on the motions proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Hamilton West (Mr. Alexander). I think the Unemployment Insurance Commission is making a mistake in trying to cut back on the cost of the plan by eliminating senior citizens. They say that these older people have a better pension plan than in the past, that the Canada pension is indexed, there is old age security and the guaranteed income supplement, and all these plans are new and better than they were years ago. I hope to persuade the more progressive members on the other side of the House, and some who are not so progressive—like the hon. member for Vancouver East (Mr. Lee)—that even someone who is getting the maximum benefits of the CPP, the OAS and GIS is getting only approximately \$3,000 a year. This means that many people over 65 have to work whether they want to or not. The pension plan is not sufficient to provide them with the necessities of life.

I know many old age pensioners, my own family amongst them, where one spouse is a lot older than the other and therefore the pensioner has to work to make an income for his family. He cannot possibly retire on the basic OAS, GIS or CPP with a spouse under age 65. If he has to work, why should he not participate in the unemployment insurance scheme? He is more likely to be unemployed, if an industry is cutting back, than someone over 65, so why should he not be able to draw benefits from the unemployment insurance plan?

Some members have already pointed out that many old age pensioners have dependent children. The hon. member for Nickel Belt (Mr. Rodriguez) mentioned that when the Prime Minister (Mr. Trudeau) becomes an old age pensioner he will still have dependants, but obviously he is not going to live in poverty. The Prime Minister will not need to work to support his family once he reaches the old age pension age. But there are many people in my riding and across the country who are over 65 and still supporting kids in elementary school and high school. Their children are not even in university. Why should not such people, in a free, democratic society, be given the right to participate in the unemployment insurance plan like other workers? Once they reach the age of 65 they may need the protection of the plan much more than many younger workers.

● (1550)

In my riding an immigrant came from Czechoslovakia. He came to see me a couple of times to explain that he cannot draw the old age pension in this country until he