

the hands of families and consumers would not be available. That money could work its way through the Newfoundland economy. However, if this bill passes, it will not be available. I am surprised and somewhat appalled that some of the Newfoundland Liberal members are not making a case for their constituents, for the businessmen or for the economy of Newfoundland which will feel a tremendously negative impact once the bill is passed.

The amendments are based on the false premise that somehow people are not looking for work in economically depressed areas. The fact is that permanent work is not available. The Minister of Manpower and Immigration (Mr. Cullen) says that most of the people claiming unemployment insurance after working only eight weeks are young people, students and housewives, people whose attachment to the work force is not on any long-term basis. The minister says that these people only work to earn an income supplement, and that if we disqualify them or make it harder for them to collect unemployment insurance there will not be any real suffering because they are not serious workers in the first place.

Besides the fact that that statement is chauvinistic, I do not think statistics bear the minister out. For example, changes in the act even before this bill was brought in assumed an average unemployment rate of 7 per cent, which is lower than we have now. The change to increase the qualifying period of work will mean that some 330,000 workers in Canada who become unemployed will not be able to receive benefits. The minister says the number will be roughly 50,000 because there are only 50,000 affected at any given time. But I look at the total picture. When we have one million unemployed already, it seems a backward approach to throw another 300,000 on to the unemployment rolls and not at the same time provide benefits, because we all know that if people are disqualified from receiving benefits, somebody has to pick up the tab. Unless we have become such a callous society that we throw people out on to the street because they have no income with which to pay rent, unless we let families starve because they have no income, disqualifying them from unemployment insurance benefits only means we move them on to municipal welfare rolls, which means the taxpayers will bear the burden.

At least in the unemployment insurance scheme, workers, employers and the government contribute to the funding of that scheme. When we move people from unemployment insurance to welfare, the burden is borne entirely by the Canadian taxpayer.

Mr. Epp: Who pays for it now?

Mr. Symes: I said that unemployment insurance is funded by workers and employers.

Mr. Epp: Who are they?

Mr. Symes: They are taxpayers.

Mr. Epp: Right.

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Mr. Symes: And that is based on their earnings. It is based on a formula. If we take people off unemployment insurance benefits and put them on welfare benefits, there is a different tax formula which applies to Canadian taxpayers.

Mr. Epp: But it is still the taxpayer who pays.

Mr. Symes: I do not disagree, but I am talking about fairness in the way the income and property tax system works. It is that system which funds municipal welfare. I think the unemployment insurance method of raising funds to help the unemployed is far superior to the direct taxation system which pays for municipal or provincial welfare. City welfare budgets will have to be increased to handle this. This means that funds will be taken from other municipal projects to pay welfare payments to unemployed people. I think that will be discouraging for any municipal council to have to face in this time of increasing costs.

The minister tries to make out that young people and housewives will be the only ones affected by these changes. However, if we look at those who have been disintitiled because of the 8-week to 11-week period, and if we use figures for the first five months of 1976, the latest I have, we find that of those receiving unemployment insurance benefits the people who work between 8 weeks and 11 weeks make up only 15 per cent of all beneficiaries. Let us think for a moment about that proportion. The minister and his officials try to leave the impression that a great proportion of the unemployed work only 8 weeks to 11 weeks and that they are the ones making claims. The figure is only about 15 per cent. If we look again at the first months of 1976, we find that 63.8 per cent of all 8-weekers to 11-weekers were in Quebec and in the Atlantic provinces. It is in those areas that we find the lowest job vacancy levels and histories of seasonal work.

This reinforces my argument that the number of people with minor attachment to the work force is quite small compared with the total number receiving benefits. Second, Quebec and Atlantic Canada, with their high unemployment and seasonal work, are hardest hit. The minister argues that many women have a minor attachment to the labour force, but this change will affect some 214,000 men and 116,000 women. In other words, more men will be affected by this change than women, contrary to the impression the minister tries to leave with us. In the construction industry, where there is already severe unemployment, this change will make it worse for construction workers. We have to emphasize the fallacy of the argument that young people and women will be mainly affected by these changes. All segments of the work force will be affected, Mr. Speaker.

● (1250)

Throughout the past year I have met weekly with constituents on a variety of problems. Each time I hold constituency office hours, invariably a young person comes to me with the problem of finding work. They range from high school students looking for summer work to finance higher education, to university and community college students looking for summer