

Unemployment Insurance Act

it was socially necessary at the present time. In different areas of this country there are different levels of unemployment or employment and, because of that, the variable entrance requirement has met a particular need. The people in those areas where it is difficult to get a job or difficult to get another job if one is laid off, will be able to qualify with ten weeks of work. People in areas such as the one I represent, where there is comparatively low unemployment, will be required to work 14 weeks before qualifying for unemployment insurance. I think that is appropriate.

It is even more appropriate that the minister took the initiative of extending the variable entrance requirement rather than simply relying on the act which would have required a 14-week entrance requirement right across the board. As the hon. member for Beaches (Mr. Young) indicated, this would work to the detriment of people in places like Prince Edward Island where they would find it difficult to get work for the number of weeks required in order to qualify for benefits. It could have happened that people who could least afford it could have been cut off from benefits, so I compliment the minister for extending the period.

I am pleased to see that the minister will embark on an extensive review of unemployment insurance. A vast amount of information is available as a result of studies which have been carried out, and I know that the minister will make that available to the public. In the past we have made information available when unemployment insurance legislation was being discussed so that people who wanted to be critical could at least be critical in a constructive manner, through knowing the facts. I welcome the minister's initiative in indicating that the review will take place.

I am particularly pleased that the minister has abandoned even considering the Conservative party's idea for a two-tier system. The hon. member for Calgary West spoke of something impacting more on women than on men in the work force, but if there is anything calculated to impact on women more than a two-tier system, I have yet to see it. I think the hon. member should consider what the results of a two-tier system would be. It probably was not implemented when his party took power, although they had talked so bravely and loudly about the two-tier system when they were in opposition, because they saw the difficulties with it.

I would remind the minister that a surprising amount of help is available from people who have the time to do research in other areas. Two writers in particular come to mind, although when I was minister I did not always agree with their conclusions and sometimes thought their research was suspect. Mr. Leonard Shifrin and Mr. Richard Gwyn are two writers with whom I did not always agree, but I always read their articles because I thought they had done the necessary research. A great deal of help is available from writers who specialize in particular subjects. I am sure that the Minister of Energy, Mines and Resources (Mr. Lalonde) and others interested in energy read Jeff Carruthers' columns. I would recommend to the minister that he read a certain group of writers because they have done the research and express a point of

view. They may not always be right or fair, but I think it is worth while reading their columns.

When the minister referred to some of the areas that the intensive review would examine, he did not mention vacation pay. When I was minister I was able to make changes to ensure that separation pay would no longer be considered as income as this had the effect of delaying the payment of unemployment insurance. The same is probably more true of vacation pay. People earn vacation pay when they are working, not when they are on vacation. If they are laid off and then take their vacation pay, however, there is a certain delay before they can collect unemployment insurance because the vacation pay is computed into the income they receive after being laid off.

It is appropriate that vacation pay should not be counted as income when one considers how easy it makes the possibility of "diddling" the system. Some unions have taken the initiative of working hand in glove with the employer and trust companies and have arranged that employees take the pay on a regular weekly basis. The money is put into a trust fund while the employee is working and then, if he is laid off, the vacation pay is no longer payable to him and so he is able to collect his unemployment insurance more quickly.

Only 33 per cent of workers in Canada have some form of union membership, so it is the people who cannot organize who suffer. I do not know what the cost of this measure would be although I have heard figures of \$90 million and \$130 million. I feel strongly, however, that vacation pay earned while working should not be considered as income after an individual is laid off.

Another difficult decision facing the minister is how to weigh prompt service to those entitled to unemployment insurance against the control mechanism. Although the hon. member for Beaches spoke somewhat critically of a particular advertisement, I think the Unemployment Insurance Commission was trying to warn people that they were bringing in more control. Anyone who reads the report of the Unemployment Insurance Commission or the committee reports will realize that the commission is vitally concerned with control. They are also concerned with the fact that those people who are drawing unemployment insurance need it just as quickly as it is possible to get it.

The minister is going to have a difficult time determining just what the correct balance is as did a series of ministers before him. He must always be aware that people need this money and need it quickly. It is taxpayers' money, however, and control mechanisms must be built into the system.

There have been comments about the lack of new jobs in the economy, but the fact is that in excess of 250,000 new jobs have been created annually in recent years. The minister either has entered into or will enter into agreements with the provinces under the Adult Occupational Training Act. It is a very effective program which involves hundreds of millions of dollars and the close co-operation of the federal and provincial governments. It provides for the training of young people so that they will be ready to take jobs in the economy as they