

Unemployment Insurance Act

in the service contract because it is extremely difficult to use that reason to prove there was a just cause to leave one's job voluntarily.

Furthermore, the eventual claimant will be penalized a second time under subsections (2) and (3) of section 24 of the act since he will have worked only a few weeks at reduced hours and the rate of qualifying weeks will be deducted accordingly.

We can therefore conclude that under the provisions of the act as it now stands, the employee who notes at a certain time that the company for which he works will soon reduce its production or close down its plant because of a lack of market opportunities for its products or must reduce the hours of work of its employees will naturally find that it is to his advantage to quit immediately his job instead of working a fewer number of hours, which would reduce his salary.

Consequently, the government should take action so that unemployment insurance rates be based on the average of the 20 highest paid weeks of insurable employment during the qualifying period instead of amending the act and establishing the rates on the basis of the last 20 weeks.

As concerns the dependency rate, which would be reduced from 75 per cent to 66½ per cent, this seems to my mind very unfair because, at this level, the government says that the reduction is guaranteed by higher family allowances.

In my opinion, family allowances are not sufficient to cover even the cost of feeding and clothing the children. In any case, Mr. Speaker, family allowances have nothing to do with the future claimant, the future unemployed, because when he works, he also receives his unemployment insurance benefits, and when he becomes unemployed, he is once again punished, as I said earlier, because he has lost his job.

I find it very unfair to treat in this manner those who help build society and contribute to the development of our country by punishing them in this way. For this reason, I shall not support this amendment.

● (2140)

[English]

The Acting Speaker (Mr. Turner (London East)): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Turner (London East)): All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner (London East)): All those opposed to the motion will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Turner (London East)): In my opinion the nays have it.

And more than five members having risen:

[Mr. Allard.]

The Acting Speaker (Mr. Turner (London East)): Pursuant to section (2) of Standing Order 75 the recorded division on the proposed motion stands deferred.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. Could it be made clear that the vote which will be recorded on motion No. 7 will also cover motions Nos. 8, 14 and 15?

Mr. Alexander: That is the understanding on this side of the House.

The Acting Speaker (Mr. Turner (London East)): Is that agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner (London East)): We now go on to motion No. 9 in the name of the hon. member for Timiskaming (Mr. Peters).

Mr. Arnold Peters (Timiskaming): moved:

That Bill C-69, to amend the Unemployment Insurance Act, 1971, be amended by deleting Clause 8.

He said: Mr. Speaker, one of the problems of the system we use is that if one has not been present in the committee one has not heard the justification of either the civil servants, the commission, or government members as to why a certain clause should be deleted after having been adopted on a trial basis for several years. This clause, which I propose should be removed, will have the effect of reinstating the three week period during which an unemployed person would receive his pay immediately following his last employment. The reason for that provision in the act is to enable the claimant to look for another job. If he cannot find employment within the three week period, he will not have to pay back any of the advance money paid to him.

It is surprising to me that Liberal members wished to remove this provision because, in my opinion, it was used very seldom. The payment is not done by way of computer but by hand. It has to be authorized in the local area, and in an area where mail claims are used it cannot be put into effect within the first three week period. So obviously this provision only works in those areas where there is a large concentration of people, which usually means a large concentration of job opportunities as well.

The commission indicated that 70 per cent of all persons drawing unemployment insurance benefits had been earning less than \$6,000. It was for that reason, and with the knowledge that these people would not have large resources available when they were laid off, that this provision was put into the act. It enables them to receive three weeks benefits, which is added to their last pay and which enables them to cover their expenses during the time when they are seeking another job. I think the idea behind it is very good, but the sad part is that it rarely works. In fact in many areas it was not used.

The weakness in many sections of the act is that they are not uniformly applied. I mentioned this afternoon that the method of control used was different in one area from that applied in another area. Although conditions may be different in different areas, I think that the federal law