

*Unemployment Insurance Act*

**Mr. Mackasey:** Mr. Speaker—

**Mr. Alexander:** Now, he is up on a question of privilege.

**Mr. Mackasey:** Mr. Speaker, I am not rising on a point of order because a question may be simpler. Is the hon. gentleman suggesting that I said that unemployment insurance is preferable to work, to jobs? Have I not said that above all else people should be working and that the government should be reducing the numbers of unemployed? All I said was that, as an alternative to having no work, these people should have a decent income through unemployment insurance.

**Mr. Nielsen:** Mr. Speaker, I wish the hon. gentleman had been as direct in his initial remarks as he has been now. From the words that he used on second reading, as well as the words he uttered a few moments ago, I drew the plain inference that somehow or other it was better for unemployed persons to receive benefits in preference to the creation of a society in which jobs would be provided; that somehow it was better to have welfare recipients than to create a society where welfare was reduced to a minimum. Then, at the end of that diatribe he accused the members on this side of attempting to ride to power on the backs of the poor—a very unworthy suggestion, I might say, coming from the hon. member for Verdun.

No accusation can justifiably be made by members opposite or by those to my left that we begrudge payments to unemployed people, because we do not. Neither do the vast majority of Canadians begrudge payments to unemployed people. What we do begrudge is the policy followed by the government, a policy that is still being followed by the government since it has effected no other programs, whereby unemployment is permitted to exist at such high levels. The hon. member for Verdun says there seems to be a somewhat changed mood in the country in that people are now in favour of unemployment insurance. My reading of the mood is that no one is opposed to the philosophy of unemployment insurance and that no one is exerting any effort to destroy the scheme. Not even the worst writer on the subject could be accused of that. Not even Zane Grey No. 2, to whom the hon. member for Verdun has referred, could be accused of propounding that proposition. That would be an unworthy accusation.

• (1600)

Surely, we can expect the unemployment insurance scheme to apply to those who are legitimately out of work and cannot find jobs. The hon. member for Verdun has made a great deal about abuses, and he is protected in his position by those to my left. It would be unrealistic for any member of the House to say there had been no abuses of the unemployment insurance scheme. There was a fellow in my constituency who was not a Canadian citizen but who will remain nameless. He came from the United States and, after getting a work permit, he worked for just barely the qualifying period, then left his employment and commenced drawing unemployment insurance benefits at the preferred rate.

When his period of entitlement ran out he applied for vocational training which is supported by federal and territorial government funds. He was being paid then to go to school. He was taking a course in welding and there

[Mr. Nielsen.]

was a workmen's compensation regulation which prohibited any welder having a beard. He was told he would have to terminate his attendance at school unless he shaved off his beard. He was rather attached to his beard and insisted upon keeping it, so he had to quit the course. He chose the beard over education and a living, but he figured out another way. He went back to school and took a carpentry course. He was allowed to keep his beard then because having a beard was not against workmen's compensation regulations for carpenters. After telling me this story he said: "You guys have got to have the greatest country in the world. I don't have to work."

**An hon. Member:** He should have taken a course in barbering.

**Mr. Nielsen:** This is the kind of abuse to which Canadians are objecting, and the ex-minister knows this. If the hon. member for Verdun says there are no abuses, was it announced while he was in office that there were going to be some 350 new personnel taken on in the Department of Manpower and Immigration specifically to investigate this kind of abuse and to enforce the law as it should be enforced? If there are no abuses, why all this concern?

I am not talking about fraudulent applications for unemployment insurance which are investigated by that branch of the department, I am speaking about legal abuse. I refer to people who come over to this country from the United States, for instance, and apply for unemployment insurance. It was quite easy at the time for them to do so, although it is a little more difficult now. These people came over and worked for a minimum qualifying period, then made arrangements with a friend to send their unemployment insurance cheques to them. The cheques were sent to a Canadian address, then cashed in Canada and the money sent across the line.

This is the kind of abuse that takes place because of the loose manner in which the administration has been handling the fund. As a result, there has been an expression of disgust by the ordinary working man of this country who has worked all his life and never drawn unemployment insurance benefits. I have spoken to many of them, as have other hon. members including some of those in that party to my left who are supposed to be the champions of the working man, but who support Clause 2 of this bill which imposes an extra financial burden on the shoulders of the working men of this country.

**Some hon. Members:** Hear, hear!

**Mr. Andras:** What extra burden?

**Mr. Nielsen:** I hear the minister finally saying something. I welcome him to the debate and hope that he says more than the few words he has just uttered.

**Mr. Andras:** Would the hon. member permit a question?

**Mr. Nielsen:** Surely.

**Mr. Andras:** Would the hon. member clearly define what he means when he says that the employees and employers who are contributing to the fund are bearing an extra burden in respect of these advances about which we are now talking, in addition to what was covered by the act as