Unemployment Insurance

help his constituents rip-off unemployment insurance, as everybody else is doing.

● (1730)

Perhaps what we should be discussing is some kind of entitlement. This is really what his constituent is saying in between the lines in her letter—"Everybody is ripping off the unemployment insurance, so why not me?" The reason I rise to speak on this is that I think there are some things that need to be said.

I have witnessed many occasions since the last election when Conservative members and others have risen to denounce the inequities under the Unemployment Insurance Act, telling how the administration is prosecuting so and so, bringing the law to bear on so and so, being unjust, and behaving mercilessly. Yet the Conservatives were the party that virtually fought the last election on a campaign against abuses of the Unemployment Insurance Act, saying how they hoped to clean it up.

Mr. Kempling: On a point of privilege, Mr. Speaker, the hon. member for Waterloo-Cambridge is absolutely twisting what has been said.

Mr. Knowles (Winnipeg North Centre): That is no point of order.

Mr. Kempling: There is no case of anybody ripping off anything. What my constituent is asking is that unemployment insurance premiums not be deducted from her income. She does not want to pay in, and she does not want to collect from unemployment insurance.

Mr. Knowles (Winnipeg North Centre): Why did you not make your speech while you had the floor?

The Acting Speaker (Mr. Laniel): Order. I wish to remind hon. members that they should not take advantage of points of order or points of privilege to try to explain or rectify the arguments they have made in their speeches. Hon. members are entitled to their own interpretations of speeches, and as long as they follow the rules and regulations of the House and stay within the subject matter of the debate, they should be allowed to continue their speeches without intervention.

Mr. Saltsman: Mr. Speaker, I want to make it very clear to the hon. member for Halton-Wentworth (Mr. Kempling), who I am sure will send a copy of his speech to his constituent to indicate how he has gone to bat for her, that he at no time suggested she was ripping off the unemployment insurance. The hon. member was putting her case forward as a legitimate complaint for this House to consider, and I hope nothing I have said suggested anything else. But I am suggesting that what his constituent is saying is, "Everybody is ripping off the act, why not me? I am contributing; I am entitled to take it. She has pointed out that people contribute under the act for eight weeks and then collect maternity benefit. I say that the hon. member's constituent is absolutely right, that the act is being ripped off right, left and centre.

When the amending act was introduced by the hon. member for Verdun (Mr. Mackasey) I may have been the only member of the House who rose to criticize it sharply.

[Mr. Saltsman.]

At that time I said it was no longer an Unemployment Insurance Act, and that by no stretch of the imagination was it an insurance program. I said it had become a giant welfare scheme. Events subsequent to that have demonstrated the truth of what I said. The trouble is that a lot of people are collecting unemployment insurance as if it were a welfare program, treating it as supplemental income. These are people who would be horrified if they had to go down to city hall to make an application for welfare.

The point here is that the hon. member's constituent who wrote him a letter is saying, "I am making contributions and I cannot get any benefits." I ask in which way is she different from many people who are making contributions and not getting benefits? I say there is no more sense to the act. There is no more relationship between the contributions people pay under the act and the benefits they receive.

What we have in this country are people who go to work, punch the clock, work conscientiously at what they are doing, while many other people, some of them legitimately unemployed but many of them unemployed strictly by choice, prefer to collect unemployment insurance rather than work. Something has to be done about this because moral decay sets into society when this takes place.

What was once a great Unemployment Insurance Act that I supported and that many others supported because we felt it gave people the income maintenance that was necessary has now become an entirely different thing. Anyone who rises in the House and tries to relate the premiums to the benefits, or the risks to the premiums, is really off the point. We should not even call them premiums. It has no relationship to an insurance program. It is straightforward taxation that we are imposing on people, and we might as well call it taxation. If we are going to continue with this system, then I say let us get rid of all premiums and simply add the cost to the tax system. It would be a fairer way.

Who are the people who are abusing the act? They are not particularly the poor. A lot of them are middle class people with a somewhat superior education who have learned every single line and comma in the act. They know to the day how long they have to work in order to qualify, and how long it takes to collect benefits. They make a very simple calculation to cover an eight week period. They say, "It is going to cost me something like $10, and I will get $1,500 back." What kind of justice is there in a society that permits that kind of thing to go on? The girl who cannot go to work for the necessary number of qualifying weeks because she is pregnant will not get benefits. But somebody who is smart enough can rip off the system for $1,500.

While it may not be a very popular thing to do to stand up and denounce the act, I think it is necessary for somebody to bring this matter up. What is the point in fishermen being included under the provisions of the act? Insurance is supposed to take care of unpredictable hazards. What is unpredictable about fishermen being unemployed?

If all fishermen were poor, of course, people would understand that this is a form of income maintenance; but