

Computer error

UIC challenged

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undue hardships." The brief argues that, because of the stark economic realities of the Nova Scotia economy, having to repay the money would indeed cause undue hardship, and the Commission should exercise its authority under Section 175 and write off the debt.

"This issue is not fault, since UIC readily admitted the error was made by one of its computer programmers. The issue is whether one should pay for the error of the other."

The Board of Referees Hearings

Normally, a UIC board of referees appeal is straight-forward. You go before the three-man board, present the facts as you see them, and they decide one way or the other. It's three against one.

Fishery

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The fish processing companies in Newfoundland have reacted to this latest development like stuck pigs. They've called NFFAW president Richard Cashin and fisheries minister Romeo LeBlanc (whose blessing was needed before the purchase arrangements could go ahead) communists. They've complained that it will ruin their position in the squid markets of the world. And they've said it has led to uncertainty in the industry which makes future expansion questionable.

To call their reactions nonsense is probably being a bit charitable.

For several years now, fishermen in Notre Dame Bay (one of Newfoundland's major fishing bays) in particular and other areas as well have had to gnash their teeth and tie their boats to the wharf because there was no market for the squid and mackerel that was teeming in the waters, almost begging to be caught.

Last year, less than half a million pounds of mackerel was bought in Notre Dame Bay—the Russian vessel can buy that much in two days. And of the little mackerel that was landed in Newfoundland in 1977 (compared to the potential landings), about two-thirds was sold for fish meal at only one and a half cents a pound.

Fishermen could sell limited amounts of squid last year, but the local companies could buy only a fraction of the squid that could have been landed if the markets had existed. The squid the NFFAW is selling to the Bulgarians and Russians is surplus to the needs of the local plants, and the contract between the parties stipulates that this squid cannot be sold in traditional Japanese markets where it would compete with squid processed by Canadian companies.

The local companies have also

Which is perhaps why the UIC was a bit nervous when all 19 people jointly appealing the payback order wanted to attend the hearing, along with representatives of the Coalition and Dal Legal Aid. They were afraid the event would turn into a "circus". Highly unusual, they thought, until a check with the Ottawa office turned up a hearing which was once attended by 100 people.

So all 19 were allowed to attend, and though the event didn't become a circus, the balance of power was definitely shifted in favour of the claimants. The board sat and listened for more than three hours, while Ginny Green and Gary Burrill of the Coalition and Bill Powroz and Andrew Pavey of Dal Legal Aid took turns reading from the brief.

Not only did they listen to the coalition's legal testimony about why the people shouldn't have to repay the money; they heard evidence about the problems the coalition and claimants had in getting information and relating generally to the commission, including charges by the coalition that the commission had attempted to intimidate and harrass the claimants.

They listened to an explanation of regional underdevelopment, how the Atlantic provinces have been deliberately maintained as producers of raw materials and importers of processed goods from Upper Canada, and the implications this has for unemployment and the unemployed in the Maritimes. And they accepted a statistical report, prepared by Richard Fuchs and Mark Shrimpton from the Peoples' Commission on Unemployment in Newfoundland and Labrador, which argued that the unemployment situation is actually much worse than that presented by Statistics Canada.

None of the information in the brief was disputed, and none of it was ruled out of order.

"In a province where high unemployment has become a way of life, should people who accept UI cheques in good faith be expected to return the money when UIC discovers they've made a mistake?"

Whether the board considered the information when making its decision, however, is obviously another matter.

After studying the hefty submission for a week, the board rejected the appeal and unanimously upheld UIC's right to collect the money. Recognizing

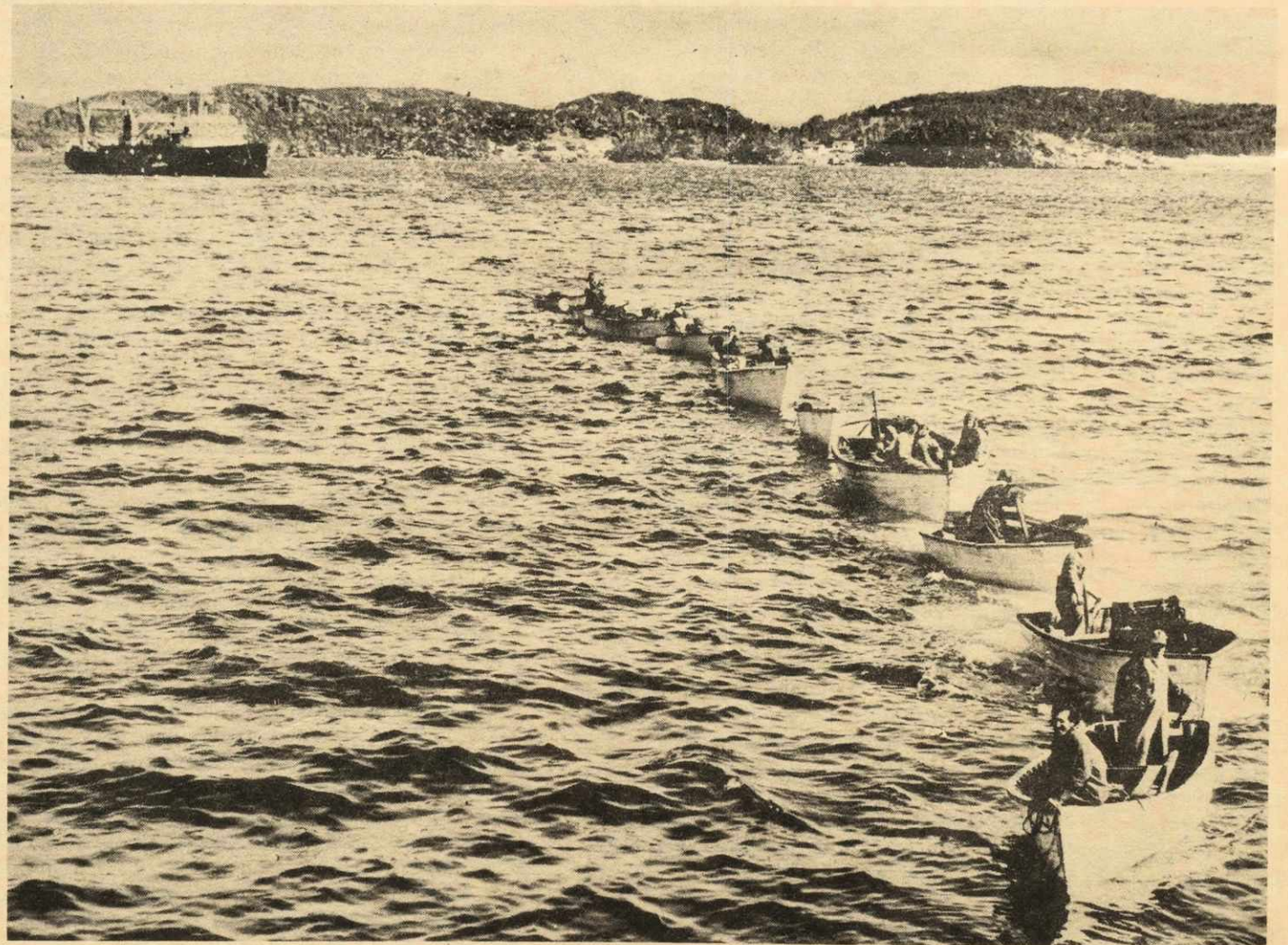
the importance of the decision it was about to make, the Commission postponed appeals around the province pending the outcome of the joint Halifax appeal.

Coalition members think the board totally ignored the brief.

Green says: "The board did not respond to or challenge any of the legal or moral arguments presented in the brief; it merely reiterated the opinion of the Commission, that the UIC does in fact have the right to ask for the money."

So now the group moves on to the next level of appeal—the Canadian Umpires Board. Perhaps it was inevitable that the case would go to the Umpires, since this is where jurisdictional issues are normally decided. UIC's mistake last year was an expensive one—it cost \$4.3 million across the country (\$1.5 million in Nova Scotia). A favourable decision for the claimants could make it more difficult for the UIC to balance its budget this year.

But even more important, a favourable decision for the claimants could check the omnipotence of the UIC. Until now, as the UIC hath given, it hath also taken away according to its own apparently divinely-inspired rules. A CUB decision holding the UIC responsible for its own errors could have a drastic effect on the operations of the organization; it could also be a recognition of unemployment insurance as a right, and not a favour.



Off the northern shore of Newfoundland, a huge Bulgarian trawler waits off shore for the small Newfoundland boats to bring their daily catch of squid and mackerel. This is the first year that the Newfoundland fishermen could find a market for the fish that was teeming in their waters—the domestic fish processing plants could never be interested in dealing with these species of fish. And, this year, because of an arrangement with the Newfoundland Fishermen, Food and Allied Workers Union, the profits are all going to the fishermen.

failed to point out that they are also involved in ventures with foreign concerns which will allow foreign vessels to catch about 20,000 tons of the Canadian squid quota with far less labor content for Newfoundlanders than is involved in the union arrangements.

They forget that before these deals were negotiated, the union had proposed a joint union-industry approach to such ventures, only to be

turned down out of hand by the fish merchants.

What bothers the Newfoundland companies more than anything else about these ventures is the implications they have for the future.

For a long time, fishermen had only the local fish merchant to turn to to sell his catch. Now the spectre of union involvement in the marketing of fish products is haunting the companies, and they don't like it one bit.

The deals with the Bulgarian and Swedish companies are indeed important litmus tests. If they succeed, the pressure from fishermen on the federal government to permit similar ventures in future will be difficult to ignore.

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