

Unemployment Insurance Act

undertaken with provincial workmen's compensation boards in order to determine the extent to which unemployment insurance should be co-ordinated with payments from these agencies. These interrelationships not only deal with eligibility for benefit but also with dissemination of information to potential claimants vis-à-vis their rights to unemployment insurance. Except for permanent settlements, any moneys received from workmen's compensation boards are considered to be earnings and therefore deductible from unemployment insurance benefits. At the same time, since these earnings are not from employment they do not constitute insurance earnings for unemployment insurance purposes. However, an individual would have to have a period of incapacity while in receipt of workmen's compensation benefits for a period in excess of 42 weeks before his eligibility for unemployment insurance had expired.

My first point on the motion, Madam Speaker, is that provincial governments are already involved in workmen's compensation. The hon. member for Nickel Belt (Mr. Rodriguez) raised an interesting point which strikes at the very heart of unemployment insurance. The question as I see it, having read his motion, is whether unemployment insurance benefits should be taken out of the realm of insurance and considered as being in the realm of or form of guaranteed income.

In my short time as a member for this House I have seen the shortcomings of unemployment insurance. I have seen the self-defeating aspects of unemployment insurance and I have also seen the real worth of unemployment insurance. Let me state emphatically that the federal government, rightly or wrongly, appears to me to be shouldering all the blame for what sometimes should be a provincial responsibility. For instance, I do not think the federal government should be held solely responsible for the housing crisis in this country. Neither should it be held solely responsible for the unemployment figures in this country. I am amazed to observe that in provinces of high unemployment, politicians blame the federal government, but in provinces of low unemployment politicians give credit to the provincial government.

This obvious lack of consistency is never attacked by the Prime Minister (Mr. Trudeau) or the cabinet. They appear to accept the total responsibility for all wrong and accept no credit for what is right. That is an admirable trait, but its one shortcoming is that inevitably provincial elections are fought in the provincial arena and the federal government is the main issue. The same holds true of this motion.

Provincial governments have a clear mandate to augment federal policy. They have the right to introduce budgets and thus hold in their hands the key to success in such areas as workmen's compensation. Every year provinces, in bringing down provincial budgets, must decide on their social welfare policies. For instance, how much should someone on welfare get? How high should be the minimum wage? What provisions should be included in the provincial workmen's compensation act? How much money should be allocated to blind people's allowances? How much can the province spend on day-care centres? To what extent can the province make use of the federal

[Mr. Baker (Gander-Twillingate).]

government's 50-50 formula under the Canada Assistance Plan?

Unemployment insurance is a blessing in some cases but a curse in others. The question which must always be asked is, "How far should we go?" It should not be, "How far can we go before we exhaust the public treasury or overtax the working man." There are areas in which the unemployment insurance scheme needs changing. If the hon. gentleman for Nickel Belt were suggesting that we should amend the act so that overpayments which are the fault of the interviewing process or of the computer are not charged to the recipient, I would wholeheartedly support it.

How you can ask a seasonally employed man to repay a \$1,000 overpayment for which he was not responsible, I do not know. But that is the law, Madam Speaker. That is what the act we are discussing says must be done. How anyone can expect a person living in a rural area to commute 200 miles to work, to a job that pays the minimum wage, I do not know. The hon. member noted this point in his argument. Yet under the act, if a worker refuses work in the closest industrial centre, which could be hundreds of miles away, benefits are cut off immediately. That, too, is part of the act. At present the Unemployment Insurance Act discriminates against people in the outposts of Newfoundland or in the rural areas of other provinces.

The hon. gentleman who proposed this motion is concerned perhaps about the same things I am concerned about, namely, that what is effective in Alberta may not be appropriate in Newfoundland; what may be a practical insurance scheme in a province which has high standards of social legislation may not be practical in a province which does not have those standards. To be truly effective, the Unemployment Insurance Act would need to stipulate different regulations for different parts of this country and for different classes of working men and women. Should the regulations for western Canada be the same as those for Newfoundland? In western Canada thousands of jobs remain unfilled, but in Newfoundland no jobs are vacant. I do not think they should be the same.

By the same token, provincial government policies must be different in different areas of Canada. Should we not consider the economic deprivation of Newfoundland? What should the policy of that provincial government be? Perhaps we could take a lesson from progressive areas of Liberal policy or from the professed policy of the party of the hon. gentleman who proposed this motion.

● (1720)

As far as I am concerned, unemployment insurance should only be used for someone who is looking for a job but cannot find one. He or she should be capable of working. The only exception I would make would be for cases of pregnancy. The unemployment insurance regulations should be open for those people who honestly cannot find work. The workmen's compensation acts should guarantee someone a salary in case of sickness or injury and it should be an adequate compensation. It should be part of the social legislation of each province. The working man who pays in to these insurance schemes deserves consideration.