

conniving than their worst accusations of the abuses of unemployment insurance.

Furthermore, since the findings of the Forget commission make clear that most unemployment insurance beneficiaries are short term, are in genuine compliance with the rules, and that the unemployment insurance program cannot be properly reformed until there is some good income support program in place, then this half of the bill that we are considering this afternoon compounds rather than helps the problem.

We consider that this clause of the bill is unfair, discriminatory and unacceptable. The provisions in this bill with respect to severance pay are designed to nullify the provisions passed by the Ontario government to protect certain pensioners, for example.

This bill should be split into two parts. The reimbursement of those who lost benefits should go ahead at once. The other changes to the unemployment insurance system, especially in light of the refusal of this government recently to move forward to the planned changes to unemployment insurance, should be postponed. A motion to split the bill was made in the House of Commons and rejected by the government.

Should we in this chamber try to split the bill? Honourable senators, it is the strong sentiment of my party that a government which cared about Canadian workers, which cared about fairness and reasonableness, which was concerned about improving the lot of working Canadians faced with early retirement or with layoffs, or in hard pressed regions of this country, would, first, never have introduced any such arbitrary regulation; or, second, having done so, would recognize its mistake and retract it at once; or, third, would have introduced only the first part of this bill; or, fourth, would have left such tinkering changes as are in the second half until there was a proper overhaul of the Unemployment Insurance Act.

This government is not being reasonable, is not being concerned about fairness to Canadian workers, and is not on top of its brief with respect to unemployment insurance. After consultation, we believe that forcing the government to divide this bill would only have the effect of delaying the reimbursement of those Canadians now waiting with increasing desperation for the cheques which the government's failure to move has already delayed since April 1. We wanted those cheques to have gone months ago, and we want them to go right away. We are ashamed and embarrassed, however, to have to rush through the other part of the legislation in order to get those cheques out. We are embarrassed to work with a government that brings in such a bill.

Today I received a telegram, and I am sure other honourable senators have received similar telegrams, which reads as follows:

The Federal Superannuates National Association protests most strongly against the enactment of Bill C-50 which will enshrine the unjust and discriminatory policy that deems pension income to be earned income for unemployment insurance purposes. We urge you to do everything possible to defeat this iniquitous measure.

It is signed:

William J. Mullen, National Secretary Treasurer.

Honourable senators, we assure Mr. Mullen, everyone in this chamber, and all Canadians that when the Liberal government is formed, redress of these wrongs to Canadian working people will be at the top of our agenda.

● (1550)

**Hon. Brenda M. Robertson:** Honourable senators—

**The Hon. the Speaker:** I must remind honourable senators that if the honourable Senator Robertson speaks now, her speech will have the effect of closing the debate on the motion for second reading of this bill.

**Senator Robertson:** Honourable senators, I listened with interest to the remarks of my good friend and colleague. I want to assure honourable senators that there are no threats in this bill. The bill is very clear. I believe it is not unusual for governments to introduce legislation, listen to the complaints about that legislation, and then be flexible where they possibly can. I believe that in this case the government has followed this practice.

I must say that I feel a little embarrassment over the timing as to when the bill was introduced in the House of Commons. I would have liked to see the bill—and I am sure all honourable senators feel the same—introduced in the House of Commons earlier. An attempt had been made on a number of occasions during those 77 days. The minister was just as anxious as Senator Marsden to introduce the bill earlier, but, unfortunately, the orders of the House did not permit it. Of course, the orders of the House are a joint responsibility.

I can understand that there might be a difference in philosophy. I would like to review for honourable senators some of the basic principles in this bill so that there is no confusion. This government believes that persons who have retired from the labour market should not look to unemployment insurance as a supplementary source of income. This government also recognizes that there is a difference between people who retire and leave the labour market and people who retire and begin subsequent careers. This bill addresses this difference, and ensures that people who retire and begin subsequent careers are treated fairly and equitably as active members of the labour force.

On December 5, 1986, this government noted that there were allegations of imprecise information about the implementation of the January 5, 1986, rules concerning pension income. The government proposed at that time that it establish a process to re-examine any case where people had alleged that they made their decision to retire on the basis of inaccurate information from federal government sources. Indeed, there was a lot of confusion around those directives. To this end, an administrative procedure and a draft questionnaire were prepared. Upon examination of this procedure, we saw the likelihood of excessive administrative complexity arising. Therefore, to eliminate such complexity and the potential for uneven application across the country, the government brought about changes to the implementation of the January 5, 1986, ruling.