

particular occasion was not given in reply to another question. I was not asking about any board of directors meeting or the decision made at such a meeting. The impression has been prevalent throughout Cape Breton that full benefits will accrue to those men who have been pre-retired. This can be done under the provisions of Section 58 of the present act, and again I ask the minister to please give this matter his consideration.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the measure of the efficacy and value of an act depends much upon the public's estimation of that act. It does not matter whether there is bureaucratic treatment of the legislation because, in so far as good legislation is concerned, it is the public's estimation of it which is important. It is some 35 years since we have had unemployment insurance legislation in this country and, frankly, we know that over the years there has been growing dissatisfaction with unemployment insurance as we have known it. We have had the Gill Report which arose out of the clamor and dissatisfaction on all sides. The Gill Report contains certain suggestions. I am not able to say how much of the Gill Report is contained in the white paper and in this present legislation, except that undoubtedly the philosophy of some of its recommendations has found its way into this legislation. I think it would be a very grave misleading of the public if legislation which is to be placed on the statute books as unemployment insurance should be nothing but a thinly disguised welfare measure.

• (4:50 p.m.)

I will suggest to the minister that the public will determine whether, in practice, it is deemed to be a welfare measure, in other words a national milk cow for those who do not want to work. Let us not be too pretentious or too sanctimonious and say that all Canadians are willing to work. That is a lot of poppycock. It is human nature that the more these benefits become available, the more there will be havens for those people who will not have to work but yet gain some advantage. You will get more and more people who will be moving into those particular areas, and who will ultimately be quite content to give up what could be for them a higher standard of living, but one for which they do not want to make an effort or be subjected to the responsibility of work. The number of those people grows. Although the proportion of the population involved may be relatively small in percentage figures, yet that percentage is the one that is seen.

After all, the population of this country as a whole is no different from an individual. Normally, we are not aware of all the parts of our body so long as they are functioning and in good health. But if one only gets a pimple on a cheek or a bruise on an arm or a leg, it is that ailing part that the individual notices. I suggest to the minister that the public reaction with regard to a measure such as this will be its estimation and its judgment of the ailing parts. It is for that reason we must be very careful that this act be not subjected to abuses and

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that it not create a haven for those people who are unwilling to make an effort.

I am afraid that with regard to the eight week's qualification period there are in far too many areas of this country people who have the conception that unemployment insurance payments are rocking chair money. They either organize themselves in rotating crews, so that one man can periodically go off, or make work schemes. The minister knows that this practise has existed over the years. If the formulation of this act makes this practise easier through the shorter qualifying periods, there will be more and more people who will avail themselves of unemployment insurance payments.

The Minister of Labour (Mr. Mackasey) knows that one of the essential elements in the productivity of this country is not only the skill of its working force but the discipline of that force. We know that, in many instances, if a man feels it does not matter how he carries on, that he cannot be fired or that if he is fired because he has done his work wrong or is not producing enough, he can fall back on unemployment insurance rather easily, he will have no fear of insecurity and the discipline of the work force goes by the board. This Unemployment Insurance Act was put there for the purpose of protecting the worker against involuntary loss of work. May I suggest that dismissal for improper performance should not be covered by a provision that is there for the involuntary loss of a working opportunity. It all depends on administration of the act whether the appropriate discipline in a working force can be maintained.

I should now like to put to the minister certain questions. I was not able to obtain answers from his colleague, the Minister of Finance (Mr. Benson). This question seemed to take the minister by surprise yesterday in committee. I refer to the provisions under part VI of the act, first, that there shall no longer be an unemployment insurance fund as such but merely an account in the public accounts of Canada known as the unemployment insurance account. All payments will be funnelled into the consolidated revenue account. We want to ask why there has been a change of practice. It has been suggested to me that the unemployment insurance fund as presently constituted had to be invested in Dominion of Canada securities. The securities, of course, carry interest rates. Of course, the unemployment insurance fund benefited from the interest payments, but it will no longer be necessary for that procedure to be followed under the unemployment insurance account; in other words, the fund need not receive any interest as it did in the past. It is an account receiving the contributions, the penalties, and any interest on penalties as well as any recoveries, but there is no question of any interest on a fund. There is no longer a fund. The money belongs to the government, which it did not before. It was money that had to go to the unemployment insurance fund under the Unemployment Insurance Act and could not be used or transferred to any public account.

However, there is nothing in this bill that would prevent a transfer from one account to another. There is a provision that the Minister of Finance may authorize