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Chair

Mr. Dean Allison

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• (1535)

[English]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): Pursuant to the order of reference of Wednesday, November 8, we are considering Bill C-269, an Act to amend the Employment Insurance Act (improvement of the employment insurance system).

Today, we'll be starting with Bill C-269, followed by Bill C-278, and we're going to go clause by clause. We are going to start with clauses 1, 2, 3, and 4.

The question I have for the committee is, can we look at clauses 1 to 4, or are we looking at them all individually?

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Let's take clauses 1 to 4.

The Chair: Do we have any issues with that? Is taking clauses 1 to 4 okay?

For clauses 1 to 4, there are no amendments right now.

(Clauses 1 to 4 inclusive agreed to)

(On clause 5)

The Chair: Thank you very much.

We have Liberal amendment L-1.

Mr. Savage, would you like to read that to us and explain what it is? That would be great.

Mr. Michael Savage: Yes. It's that Bill C-269 in clause 5 be amended by replacing lines 7 to 13 on page 3 with the following. Then it goes on to say that:

5.(1) The table to subsection 7(2) of the Act

—that is, the Employment Insurance Act—
is replaced by the following:

and it puts forward a table of qualifying period requirements.

Shall I do part two of that at the same time?

The Chair: No, do just the first one.

Mr. Michael Savage: Okay. It's in the same amendment.

The Chair: Oh, okay, sure.

Mr. Michael Savage: The second part of it is that:

(2) Paragraph 7(3)(b) of the Act is replaced by the following:

(b) has had 840 or more hours of insurable employment in their qualifying period.

Perhaps I can explain that, Mr. Chair.

I suspect that Mr. Lessard and Mr. Godin are experts in the Employment Insurance Act. I was not. It is a long and complex act. What we're suggesting and what these amendments are designed to do, very simply, in opposition to the bill's requirement of a flat amount of required hours to qualify for EI, at 360 hours across the board, is to maintain the regional rates of unemployment criteria but drop every level by 70 hours, so that there would be a low of 350 hours in the highest unemployment areas, where the problem is the most significant for people looking for work, going up to 630 hours required in the lowest unemployment areas. That's the first part of this. That table is a reflection of the changes this would entail.

In the act now, you'll see that at 6% and under, 700 hours are required. In this one we're suggesting 630, and it's 70 hours across the board throughout the table. That's one change.

The second change reflects the fact that in the bill new entrants are not distinguished from re-entrants. We think there's a very valid reason for re-entrants to be treated separately. Seasonal employment is a fact of life in many parts of Canada. People shouldn't be penalized because they live in an area of seasonal employment or high unemployment. We think we should leave a higher requirement for first-time entrants, but drop it by 70 hours as well. It was 910 hours, and we're proposing that we drop it to 840 hours.

This would do three things. One, it would reinstate the distinction between new entrants and re-entrants; second, it would drop the hours required for new entrants from 910 to 840 hours; and third, it would drop by 70 hours across the board the regional rates of unemployment required to qualify for EI.

Very simple.

• (1540)

The Chair: That's the motion.

Are there any points of discussion on this?

Mr. Lessard.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Chairman, I would like to begin by saying that once again, the interpreters are experiencing problems because some people have their Blackberries on. I point it out for their sake and for our sake.

[English]

The Chair: Thank you, Mr. Lessard.

[Translation]

Mr. Yves Lessard: Mr. Chairman, on the Liberals' motion, we strongly support what we have said. The 360-hour rule should stand, given the government's obligations towards workers. However, given the circumstances and given the fact that the Liberals are proposing an amendment that leads us to believe that they will vote with us, in order that we be able to at least improve a clause dealing with a measure that we feel is only a temporary solution to what needs to be fixed in the employment insurance regime, the Liberals' motion should be considered.

The motion applies and our distinguished colleague can enlighten me on that. The range of hours determining eligibility currently extends from 420 to 910, and this would reduce it by 70 hours at each stage. Four hundred and twenty hours would go down to 350 hours and new entrants would be at a 840 hours. We agree to this amendment on those conditions.

The Chair: Mr. Savage.

[English]

Mr. Michael Savage: Merci, Monsieur Lessard.

You're correct in your understanding that this would reduce it by 70 hours across the board and require the new entrants to be at 840 hours.

It is our intention to support everything else in this bill, based upon your support of these amendments.

The Chair: If there's no more discussion, then all those....

Sorry. Mr. Godin.

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Thank you, Mr. Chairman.

I simply have something to put on the record.

I'm not particularly happy with this grid, but given that the Liberal Party is supporting this—and I hope that the Conservative Party will also support it—I hope that it will at least make a greater number of workers eligible for employment insurance.

In the past, 150 hours were required to be eligible for employment insurance; that number then swung the other way completely. I myself tabled a bill, which is still the subject of debate in the House of Commons. That bill suggests 360 hours and the 12 best weeks. I have always said I would vote for positive measures and against negative measures. I do not feel that this motion is negative. I will say once again that it does not go far enough, but I am willing to support it.

[English]

The Chair: Thank you.

Mr. Savage.

Mr. Michael Savage: I appreciate Mr. Godin's comments. I understand his view.

It is through the efforts and work of the members of our caucus—people such as Pablo Rodriguez, J.C. D'Amours, Rodger Cuzner, Dominic LeBlanc, Robert Thibault, and many others—that we have arrived at what we think is a reasonable compromise.

We know it doesn't go as far as some would like, but we think it provides a good balance to the system.

After putting the EI system back on a solid footing in the 1990s, it is time to say that we have workers, largely in areas of high unemployment, who through no fault of their own are out of work, and we shouldn't penalize them for that.

Thank you.

● (1545)

The Chair: Thank you, Mr. Savage.

If there's no more further discussion, the question is, shall amendment L-1 carry?

(Amendment agreed to)

(Clause 5 as amended agreed to)

The Chair: My next question is, can I go from clause 6 all the way to clause 19, or do we need to have some discussion? If that's okay, I will ask the question.

Mr. Michael Savage: I have another amendment here.

The Chair: That will be after clause 19.

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): It is clause 19, right?

The Chair: The amendment is on pages 8 and 9 of the schedule. I don't have the schedule in front of me. It is on pages 8 and 9. That is the amendment for the schedule, and there is a clause 19 on page 6. The question still goes back—

Mr. Yvon Godin: That's 19, then—the schedule?

The Chair: Clause 19 is the instruction to put in the schedule, which we'll still have amended.

(Clauses 6 to 19 inclusive agreed to)

The Chair: We now have amendment L-2, which is on page 4 of your handout and, as was just mentioned, on pages 8 and 9 of the actual bill.

Mr. Savage, would you like to address that, please?

Mr. Michael Savage: This clause relates to the one we just passed. It adjusts the table to allow for the hours that we discussed in the previous amendment.

The Chair: Thank you very much.

Is there any more discussion on that?

(Amendment agreed to) [See *Minutes of Proceedings*]

(Schedule I as amended agreed to)

The Chair: All right. This could be the quickest bill we've gone through. We may be out of here before four o'clock today.

I shouldn't say that. That's the kiss of death. I apologize.

I knew it. I spoke too soon.

Go ahead, Mr. Godin.

Mr. Yvon Godin: Could we have an amendment that as a committee we will accept the whale recommendation?

Some hon. members: Oh, oh!

The Chair: We may be pushing it there.

Mr. Michael Savage: I'll second the motion, Mr. Chairman.

The Chair: I'm sorry. We need unanimous consent.

Mr. Yvon Godin: Didn't we have it?

The Chair: Shall the title carry?

Some hon. members: Agreed.

The Chair: Shall the bill as amended carry?

Some hon. members: Agreed.

Mr. Yvon Godin: Could we say they abstained because they are not voting? For the record, the Conservatives are not voting right now. They have abstained.

Mrs. Lynne Yelich (Blackstrap, CPC): We are voting against the bill.

Mr. Yvon Godin: Oh, okay, then. It's nice to hear that.

Mrs. Lynne Yelich: We're just surprised that the Liberals are voting for it.

Mr. Yvon Godin: It's not nice for the workers. It's nice to know where you stand.

The Chair: We were on the rails; we're getting off the rails here, guys.

Shall the chair report the bill as amended to the House?

[Translation]

Mr. Yvon Godin: Point of order.

Usually when you ask who is in support of the motion, we raise our hand if we are in favour. The Conservatives have not raised their hand and they have not said no. They abstained up until the last vote. At the last vote, they voted against. They cannot now vote on everything that came before. They abstained; they did not vote.

Do you agree with me?

[English]

The Chair: It has passed. Right now we're at, "Shall the chair report the bill as amended to the House?"

Some hon. members: Agreed.

The Chair: Shall the committee order a reprint of the bill as amended for the use of the House at report stage?

Some hon. members: Agreed.

The Chair: We can now continue with our study, pursuant to the order of reference of Tuesday, December 5, 2006, of Bill C-278, An Act to amend the Employment Insurance Act (benefits for illness, injury or quarantine).

We will now go clause by clause.

Go ahead, Mr. Lake.

(On clause 1)

• (1550)

Mr. Mike Lake: I want to take advantage of the presence of the departmental officials here and ask a couple of questions, if I could.

I'm curious right off the bat—and this is something that came up yesterday in our discussion—in terms of whether the department thinks the EI program is the right mechanism to deal with this. Is there any evidence? If there is, what does it show?

Mr. Bill James (Director General, Employment Insurance Policy, Employment Programs Policy and Design Branch, Department of Human Resources and Social Development): As proposed, the bill would increase sickness benefits under EI by 35 weeks, from 15 weeks to 50 weeks. At this point in time, based on the information we have, we wouldn't be able to conclude whether that full extension would be consistent with the intention of EI sickness benefits as they're structured in the Employment Insurance Act now. They're specifically designed for short-term absences from the workplace. In that regard, they're intended to complement a number of other different support mechanisms that are out there, both from the private sector and from provincial governments and other federal government programs.

As it stands right now, we know that about 30% of people who claim EI sickness benefits exhaust their benefits or use the maximum 15 weeks. But we don't know a lot about the situation of those people after that point in time, how long they're absent from the workforce. So it would be difficult to know, in the context of the current policy objective of EI sickness benefits, whether 50 weeks is appropriate or not.

Mr. Mike Lake: Okay.

Further to that, I want to say from the outset, as we discussed yesterday, that this is an important issue for those of us on this side of the table. I don't want to necessarily speak for everyone here, but I think I can say very comfortably that we recognize that there's a gap here and something needs to be changed. We just want to make sure we're looking at the right tool to fix the problem that exists, and we are questioning maybe whether this is the right way to go about it.

I'm thinking about people who maybe don't pay into EI, for example, and get sick. What about those people? Obviously this wouldn't help them. Is that being considered?

Mr. Bill James: That's correct. This would provide additional benefits only to those presently covered under employment insurance. So those are employees, but it would not include people who are not covered under the Employment Insurance Act. An example would be self-employed persons, which is about 15% of the labour force, or people who are not presently employed at all.

Mr. Mike Lake: Yesterday we talked a bit about a letter we received that suggested that possibly extending EI benefits might have some impact on private employer coverage. Mr. Eyking suggested that would not be the case. I just want you to speak to that a bit. Can you speak to the implications of this bill on private employer coverage?

● (1555)

Mr. Bill James: It might be helpful for committee members, as background, to elaborate that the EI program supports the delivery of sickness benefits to Canadians in two ways.

For about six million Canadians, the program supports the delivery of sickness benefits through private sector employers. The way it does that is it provides a premium reduction to companies in exchange for offering sickness benefits that are at least equivalent to those available through EI sickness benefits. The number of people covered under that premium reduction program right now is about 40% of employed persons, or about six million people. So that is one way the EI program supports these benefits.

It's notable that these types of benefits are at least equivalent to those available under EI, but in the vast majority of situations, they exceed those available under EI. For example, they pay higher benefit rates, they have rehabilitation, and they are generally longer in duration.

This is relevant to the bill I think because right now, in order to get a premium reduction, employers must fully replace the 15 weeks that are available under the current program. So if that were to change to 50 weeks, there would be a need to consider what implications that would have for employers, whether or not, for example, they would be required to fully replace 50 weeks of benefits.

With respect to the second issue, there are about 300,000 people who claim EI every year, not being covered under employer plans. I think I've already covered that.

Mr. Mike Lake: It sounds like you may be confirming concerns.... This is a problem. There is a gap here. You would acknowledge that there's a gap. This may not be the solution, though.

Mr. Bill James: There are two potential issues. One of the issues is, within the context of EI and the role it plays, is the duration currently appropriate? Is 15 weeks serving the needs within the policy objective? We know that about one-third of people use all their benefits, so there is a question as to whether EI is fulfilling its intended purpose in that regard, and we are actively looking into those questions. We have a number of studies under way in the department that are looking at the very issue of the 30% who run out.

Mr. Mike Lake: Thank you.

The Chair: I have Mr. Chong, Ms. Yelich, Mr. Godin, and Mr. Lessard.

Mr. Chong.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Thank you, Mr. Chair.

The issue around people taking sickness benefits is going to become a bigger public policy issue as the demographic challenges in this country continue, with an aging population and an increasing number of Canadians who are taking care of their parents and their

loved ones. In talking to the minister and my other colleagues, we acknowledge that the issue around sickness benefits is an important one. I think there is a willingness on the part of the minister and the government to find a solution, or to take a look at potential solutions that are economically sustainable and that work best for those who need it.

My concern, which is shared by my colleagues on the committee, is that we have a bill in front of us for which we have no detailed analysis, for which we have no detailed supporting evidence. I'm new to this committee, but my understanding is that we've had no witnesses appear with respect to this particular piece of legislation. My understanding is that it was put in front of the committee. We should have had witnesses here to testify and the committee decided not to have witnesses. Now we have this peculiar situation where we have this bill in front of us for clause-by-clause decisions and we have nothing to base our decisions on. I don't think that's a very good approach on the part of the people who opposed having witnesses give evidence.

The other thing I wondered if officials would comment on is how does this bill address the hundreds of thousands of Canadians, new Canadians, in Canada's largest cities, often immigrants who are disproportionately left out of the employment insurance system? Studies show that immigrants in the GTA don't have as high an uptake of the employment insurance system because they often are in job categories or professions where they don't pay into employment insurance, so they are left out of that whole approach. Bills like this don't help them either, in the sense that they aren't a part of the system. So enhancement of sickness benefits is not going to benefit this rapidly growing portion of the population, which is increasingly going to be part of the Canada of tomorrow.

Maybe the officials could comment on that.

● (1600)

Mr. Bill James: Maybe I could answer in two parts, Mr. Chair.

The first question is on persons who are not currently covered by the employment insurance program; they would not benefit from a change in this case. That's based on being in insurable employment, so if someone is self-employed or has never worked or is new to the Canadian workforce, unless they had some labour market attachment that met the qualifying requirements, they would not be able to access that. You are correct.

Hon. Michael Chong: Does the department have evidence to show that new Canadians are not eligible for employment insurance benefits to the same extent that Canadians who have been here for many years? Is there evidence to show that the uptake for employment insurance and eligibility for employment insurance in cities like Toronto is far less than in other regions of the country because new immigrants tend to work in professions that are not paying into the EI system?

These are some concerns that have been raised with me by various stakeholders in the GTA.

Mr. Bill James: To that specific issue, with respect to EI coverage as a proportion of the unemployed population, that does vary depending on the specific labour market, and it varies depending on the employment patterns.

So in an area like Toronto, you are correct that a larger proportion of the unemployed tend not to be accessing EI as compared to, say, Prince Edward Island, where the proportion of the unemployed that is collecting EI is higher. That can be for a number of different reasons. It could be that they're self-employed; it could be that they don't have labour market experience. So it's not particularly related to being an immigrant.

Hon. Michael Chong: I understand that.

Mr. Chair, I want to put on the record that I think if we're going to enhance and extend sickness benefits, it should be done for all Canadians and not just certain groups of Canadians.

If that's the case, then one of my problems with this bill is that it's using a particular mechanism that is not going to equally and consistently ensure that Canadians across the country can take advantage of those benefits. In other words, the mechanism itself is flawed, and I think that's another reason why we don't support this particular legislation.

The Chair: Thank you, Mr. Chong.

We have Ms. Yelich, Mr. Godin, Mr. Lessard, and Mr. Savage.

Ms. Yelich.

Mrs. Lynne Yelich: Do you think, then, that we should maybe look elsewhere to prolong the benefits? We're studying CPP this fall, disability. Perhaps we should look there. Unemployment certainly is not the place.

The 15-week requirement came from somewhere. Why was it determined that 15 weeks was the amount that was needed, and what would you suggest then for those who have a longer disability? Perhaps it should go to another area like the CPP disability, would you suggest? Do you have any suggestions?

Mr. Bill James: I guess the first point I should mention is that for the six million who are covered through a premium reduction program that EI incites employers to offer, many of those have access to a longer coverage right now as one of the benefits of being covered under that program.

With respect to the 15 weeks, it was established several decades ago based on consultations with doctors and the medical community and employers at the time. What we know about the access to the 15 weeks is that on average about nine and a half weeks are used, so the

average amount used is about nine and a half weeks. Only about 30% right now use the maximum 15.

There was a recent Stats Can study that looked at the duration of illness and absence from the workforce, and it confirmed that this average absence is about 10 weeks. So the evidence, in the monitoring that we've been doing, suggests that there hasn't been a significant change in terms of the needs, at least that we're observing within the context of the EI program.

EI is designed on the concept of a short-term absence from one's job, supporting employment income during that period, presuming that the person will return to one's job. So there is a question of a 50-week duration. That's about three times the current duration, and at that point it does raise a policy question as to the number of individuals who would be returning specifically to that employment relationship. Because the program is funded by both employers and employees, those are the types of things that would need to be clarified.

• (1605)

Mrs. Lynne Yelich: Thank you.

The Chair: Thank you very much.

We have Mr. Godin.

[Translation]

Mr. Yvon Godin: Thank you, Mr. Chairman.

It is possible for you to undertake studies, obtain statistics, and so on. I believe that the Department of Human Resources and Social Development has that capacity, am I correct?

[English]

Mr. Bill James: Yes, that's correct.

[Translation]

Mr. Yvon Godin: The Honourable Michael Chong says that he did not have an opportunity to obtain data or responses, but we do have the opportunity of having you with us today. Bill C-278 was tabled in the House on May 12, 2006. That is almost a year ago. Your department therefore had an opportunity to undertake studies in order to respond to Mr. Chong's concerns. Did the government ask you to undertake a study—you're bringing us all the statistics—or did it indicate to your department that it had concerns?

[English]

Mr. Bill James: I'll take the question, if I understand it correctly, as being what have we done in terms of studies around the proposal that's in the bill here. I can say that there is a significant amount of work under way. I should say, first of all, that we do closely monitor and report on sickness benefits every year. There's a document placed before Parliament in that regard every year through the Employment Insurance Commission.

In terms of the issue of sickness benefits specifically and those who exhaust them, we have a number of things under way. To be more specific, those studies are complex and they involve multiple steps. They are not finished yet, but there are a number of things under way. I could speak more specifically to that if you'd like.

Mr. Yvon Godin: My question is, has the minister, or somebody, asked you specifically for Bill C-278, or did they have some concerns and want to hear about it specifically?

Mr. Bill James: In terms of whether a minister has asked me for a briefing on this, I would leave that to—

Mr. Yvon Godin: No, my question is for you. I'm asking the question to you, the witness. You are representing the department right now, and I'm asking you if your department was asked to study Bill C-278—if they had concerns and they wanted some answers.

Mr. Bill James: I can confirm that we have been asked to look at Bill C-278 and the issues involved with those who are exhausting the 15 weeks.

Mr. Yvon Godin: Is there any question that was not answered because you didn't have the time to answer it?

• (1610)

Mr. Bill James: The work that's under way at this point in time has not concluded.

Mr. Yvon Godin: Was it asked for in regard to Bill C-278, or do you just do it normally as you go along?

Mrs. Lynne Yelich: If I can respond, I know I did.... We talked about this bill, and that's why I asked you to confirm why you arrived at 15 weeks. We discussed it, and you said that you were...it's always under study; you are monitoring it closely. I don't know what you're expecting.

Mr. Yvon Godin: Mr. Chair, they said we didn't bring any witnesses. Even if we had brought witnesses for the next week, nobody would have been able to answer because the study is not finished. That's the point I'm trying to make.

We have a bill in front of us, and it seems to me we're giving a fair share to the bill. EI has been here for 10 years, and they've been studying it now since 1996. It's not like we're missing information. I don't think so.

That's the point I wanted to make, and I think I got the answer.
[Translation]

I will follow up on Mr. Chong's train of thought because he asked some questions that I am interested in.

Employment insurance benefits currently last for 15 weeks for an individual who has a disability or an illness. That individual can use employment insurance but they should not be able to, if one refers to the bill, because not everybody can. If I have understood correctly, everyone should be included. Because the program does not include everyone, it is not a good program.

Does the same issue apply to the 15 weeks? Should it be eliminated? Because in fact, this does not apply to everyone.

Yesterday, our witnesses included some individuals who spoke to us about this bill and about the people they represented who had heart problems or cancer, for example. It was pointed out that usually

the longest period of time for which one can receive benefits is 50 weeks. It can't be for longer. Or it was 45 weeks.

Yet it takes approximately a year, for someone who has cancer and needs chemotherapy treatments, to go through all those treatments. The witnesses were very clear about this yesterday. It was crystal clear: that is the problem. Amongst people who become ill from the flu or another minor illness, only 30%, and I believe you confirmed this yourself, require benefits for more than 15 weeks, I believe. Usually those individuals who need it for longer are individuals who need long-term care.

I have yet to see an individual who's treated for cancer apply to the Canada Pension Plan and immediately begin receiving pension benefits. Under employment insurance, one can receive benefits immediately with a physician's signature. One can quit work.

Do you not think that the 15 or 50-week periods actually fall under the same category? If it's discriminatory to give 50 weeks, then it's also discriminatory to get 15. Do you agree with me?

[English]

Mr. Bill James: I'm not sure I understand the question as it pertains to the bill.

Mr. Yvon Godin: I'll try in English then. If a person can apply for 15 weeks, and this bill is to go up to 50 weeks...if 50 weeks is discriminatory to other workers in the country because they cannot get it, would you agree with me that 15 is discriminatory? So 15 or 50, what's the difference, as long as you get it or don't get it?

Now do you understand my question?

Mr. Bill James: I wouldn't have a comment on that as an official.

Mr. Yvon Godin: As an official, I appreciate that.

I will let others raise questions and then come back.

Some hon. members: Oh, oh!

The Chair: I spoke too soon about moving through the bill quickly.

We're going to move to Mr. Lessard, Mr. Savage, and Mr. Chong.

[Translation]

Mr. Yves Lessard: I would like to continue along the same lines as the previous questioner and I would like our Conservative colleagues to listen closely because if they ask the same question again, Mr. Chairman, that would be rather unfortunate.

Before January of last year, when the Conservatives were in the opposition and the Liberals were in power, this committee, which was made up of other members, including Mr. Cuzner whom we had the honour of having with us yesterday, Mr. Godin and myself, worked for more than one year on the report that is before us and that contains 28 recommendations. The 27th recommendation corresponds exactly to Mr. Eyking's bill.

When we undertook this study, we heard approximately 50 groups. There was no lack of witnesses. Those individuals testified on a variety of items which led to the committee drafting 28 recommendations.

For the benefit of our Conservative colleagues once again, I would say that throughout that process, the Conservatives never questioned the idea of using the employment insurance fund for benefits during sick leave. Today this is what they're doing.

Mr. Godin's question is therefore the right one. If this is going to apply for the 50 weeks, then logically it should also apply to the 15 weeks, Mr. Chairman. What we need to determine is whether or not this is the right fund to use to pay for leave on compassionate grounds. We think it is for now, because that is the fund that has been used to date. None of the parties have questioned that.

If the Conservatives do not think that this is the appropriate fund, then they should table a bill that suggests we go elsewhere for that money. The issue before us is not whether or not the period of time should be extended, but rather whether this is the right fund or not.

Mr. Chairman, let's not play around with words. I want us to be clear with each other. If they do not agree with increasing the number of weeks, then they should simply say so. I do not think it is right to use false excuses for abstaining from voting. If our Conservative friends are convinced that this is not the right fund, then they should table a bill that would provide for money being put into another fund at another time. I don't know which fund that would be, but they probably know. Meanwhile, let's not deprive individuals who need compassionate leave from receiving financial assistance.

Our friend Mr. Chong was asking whether or not this solution was economically viable. Mr. Chairman, I do not want to offend our friends opposite, however Mr. James stated that people take on average nine days of leave. More specifically, 32% of individuals take 32 days. If the period is extended to 50 weeks, that average may be 10 or 11 days, but it will not endanger the fund. There has been a surplus year after year. The money simply has to be used appropriately and not for other purposes.

Mr. Chairman, I shouldn't have come back to this, but I do find it somewhat shocking. In my opinion, whether or not the fund is viable is not the issue. Nor is whether or not this is the right place to take the money from the issue. The issue is whether or not they agree on increasing the number of weeks to 50. Then it would be clear. If they refuse, then we must accept that. They have a right to refuse, but they should have the courage to say so.

● (1615)

[English]

The Chair: Thank you, Mr. Lessard.

We're going to move to Mr. Savage, followed by Mr. Chong.

Mr. Michael Savage: Thank you. My points have been covered a bit by Monsieur Godin and Monsieur Lessard.

Mr. Chong mentioned that there's nothing to base decisions on. That's not the case. If he had been here yesterday when Mr. Eyking presented his bill...he is knowledgeable on this, he's done research on this, and he had a host of information on this. He had an estimate of the cost, as good as you could get, because we don't know exactly who would draw this benefit or how long. He had researched it. He did in fact have witnesses. He had the Heart and Stroke Foundation of Canada and the Canadian Cancer Society, the two biggest speakers for disabled Canadians, who speak enthusiastically for this bill.

If more witnesses were needed...it was the steering committee that determined we didn't need witnesses. We could have discussed it with this committee if we'd needed more witnesses. In fact, it was us who went back and allowed for the Heart and Stroke Foundation and the Canadian Cancer Society to appear yesterday. There is the option to bring forward amendments if they're thought out, if they're considered, and based on the fact that they didn't think the bill had enough information in it.

I think it's a very full bill, Mr. Chair, even if it's a short one.

I think there's a lot of information on this. The department obviously has been doing some work on this. I'm sure the government is looking at this issue, but this is a way to rectify the situation right now, take a positive step for a large number of Canadians, and make life better for Canadians who are disabled. More and more and more, long-term disability is an issue. Things that people used to die of, they are now living with. It's a good news thing; they come back into the workforce eventually, but not immediately.

It's an eminently sensible bill, and I urge my Conservative colleagues, who I know at heart are very compassionate people, to support it.

● (1620)

The Chair: Thank you, Mr. Savage.

Mr. Chong, Mr. Godin, and then Mr. Lake.

Hon. Michael Chong: Thank you, Mr. Chair. I just want to go back to the point about the witnesses. The witnesses from the department were not called to testify on this bill, and therefore we don't have the detailed costed information that will allow us to make an informed decision. And to suggest that one individual member of the opposition has fully costed this out and presented all the risk analysis and information around the financial implications of this is I think a little trite.

The fact is the department has not conducted its full analysis. To Monsieur Godin's points that they haven't done it now and therefore we should just get on with the bill, if we had called the department as official witnesses, I have no doubt that the professional public service would have delivered an appropriate analysis in time for a committee meeting had we called them as witnesses. But we chose not to.

So we are in some ways making decisions here about a significant piece of legislation without any evidence or information from the department, the very people who are the experts on these sorts of things and the very people who can fully cost things out and who have been working on these files for years. I think in some ways it's foolish for us to support something like this when we don't have all the evidence in front of us.

The second point I want to make has to do with the basic notions of equality and ensuring that federal government social programs are designed for all Canadians. The fact of the matter is that the uptake on employment insurance is much lower in places like Toronto; in other words, the percentage of the unemployed in cities like Toronto who are eligible for employment insurance benefits is much lower than in other parts of the country.

Empirically, I can tell you the fact is the people who are most disadvantaged by this are immigrants, newcomers to Canada who are settling in the GTA, because they disproportionately participate in parts of the economy where they do not pay into employment insurance.

Right now we have a system that's in place, yes—15 weeks—but what you're proposing, Mr. Godin, is to exaggerate that inequality to an even greater extent by extending it to 50 weeks, and that's not fair for some of the most vulnerable in our society, immigrants, who have come here, who have chosen to make this country their home, and who are not eligible disproportionately for these kinds of benefits because of the types of work they're in, because they're disproportionately starting up small businesses, because they're entrepreneurs, because of a whole range of other socio-economic factors.

So we're of the position that this needs to be studied to a much greater extent. We acknowledge as a government that the issue of the gap in sickness benefits is one that merits attention and merits study, but to do so on the basis of no information from the department, no analysis, is foolish. And furthermore, to do so in a way that would simply widen the inequality gap between Canadians and our most recent immigrants I think is completely unfair and I don't think speaks to the values that we hold as Canadians.

I think that's the second reason why we should oppose this bill, because it doesn't take into account the fact that many Canadians don't pay into employment insurance, and those Canadians disproportionately, especially in areas like Toronto, are immigrants.

• (1625)

The Chair: Thank you, Mr. Chong.

I've got Mr. Godin and Mr. Lake.

[*Translation*]

Mr. Yvon Godin: Thank you, Mr. Chairman.

I have some reservations with respect to Mr. Chong's comments and I'll tell you why.

With all due respect for immigrants in Toronto, I should point out that we also have people creating jobs in small and medium-size businesses, who are not immigrants. We have people in small businesses who are not paying into the employment insurance regime. If the members of the Conservative Party of Canada, the

Canadian Alliance or the Reform Party of Canada had voted in favour of the bill I tabled for self-employed workers, then perhaps those workers would be contributing and would be eligible.

In my opinion, Mr. Chong is contradicting himself. He complains about the amount this could cost, but on the other hand, he says that it does not go far enough and that it will exacerbate discrimination. However, we are discussing a system that the federal government does not invest in. Workers and employers contribute financially and it is their insurance. It is the employees of these employers who get sick. Yet, since 1986, to pay down its debt and achieve a zero deficit, the government has been stealing money from the employment insurance fund that is supposed to pay employees who are on sick leave. That money belongs to employees who get sick and must take extended sick leave, but we're being told that there's no system to help them. And yet, this is insurance that they paid into, not the Government of Canada. There is no discrimination there. The employees and employers contributed to that insurance in order to protect employees in the event of illness.

I do not see where the discrimination lies. If there is any, then I would suggest to Mr. Chong that he table a bill that would allow self-employed workers to contribute to employment insurance, and that would apply to all of the immigrants he has been talking about. We have been asking for a long time now that self-employed workers be able to participate in this program. They should be a part of it.

I agree that self-employed workers should be eligible. Under the employment insurance system, whether an individual who has paid into the fund gets sick in Bathurst, New Brunswick, Caraquet, or Toronto, they have a right to receive employment insurance or sickness benefits. So there is no discrimination between Toronto, Bathurst and Caraquet. There's no connection with the fact that the unemployment rate is 4.5 or 6% in Toronto whereas it is 20% in Acadie-Bathurst. Employees who have paid into the fund and who get sick and qualify, can receive sickness benefits. Everyone is treated equally. In order to be eligible for sickness benefits, one has to have worked a minimum of 600 hours over the year. This applies whether one is in Toronto, Bathurst, Moncton, Halifax, or Nanaimo, British Columbia. There is no discrimination. The program belongs to the employees, and today we are discussing their program. We're saying that rather than granting 15 weeks of benefits...

I don't know whether or not you received the testimony that we heard yesterday. Mr. Preston said that the witnesses had convinced him that something had to be done. But it looks like those who were convinced yesterday are not here today.

There are also those who do not work and are not on an employer's payroll. Let us take, for example, an individual who receives welfare benefits, and learns that he has cancer and must undergo treatment. That individual will continue to receive welfare benefits; he will not lose his income.

A man called me to tell me he had cancer. Do you know what the word "cancer" means for most people? I don't wish it on anybody. It means death. That is what is so scary. The man who called me was experiencing that fear of dying.

In his testimony yesterday, a man said that he had been to see his physician and that he had been told that he had cancer. He would have to undergo chemotherapy treatments, etc. Usually in a case like that one, an individual cannot go back to work for at least a year. Fortunately, today, with treatment, people can go back to work. It takes about a year. Those who cannot go back to work are eligible for Canada Pension Plan benefits for long-term leave. That is what one of the witnesses told us yesterday.

● (1630)

Take someone who is 40 or 50 years old, who has worked their whole life, is told they have cancer and must undergo chemotherapy treatments for one year. After 15 weeks of receiving sickness benefits, an employment insurance officer tells that individual that they will no longer receive any income. That announcement will be harmful to their health and will compromise their recovery. Specialists and individuals who testified here yesterday said that this is counterproductive and that it could compromise any treatments. It is horrible to hear people cry over the phone and tell us that they can no longer feed their family.

Mr. Chairman, take someone who has experienced a heart attack. We know that that can happen to people under stress. Imagine learning after 15 weeks of receiving benefits that you will no longer be receiving any.

Who are we to not support that? If we had cancer, we would be able to stay at home and receive a net salary of at least \$7,000 per month. Who are we to say no to these workers? Is there discrimination? Are you willing to give up your pay cheque in order to satisfy everyone in the country, all those workers who do not have a right to benefits, self-employed workers, immigrants who do not pay into it? If you had cancer, would you be willing to give up your net salary of \$7,000 per month after a seven-week absence?

Ask yourselves that question and perhaps when you find the answer you'll support the bill.

[English]

The Chair: Thank you, Mr. Godin.

We have Mr. Lake, followed by Mr. Chong.

Mr. Mike Lake: I'm not sure how to follow that.

The Chair: Quickly, if you would.

Mr. Mike Lake: Yes. I think we need to remember that we're all on the same page here. We've recognized that there's a problem. We all want to do something about it. I think the difference is...I believe it's another example, in a sense, of an ad hoc approach to policy development that we keep running into in this committee in the private members' business we've been discussing.

To Mr. Eyking's credit, he came forward with a private member's bill that definitely has raised awareness, and I think that's really important. Now we have to decide on the soundness of the policy. That's my biggest concern right now.

Speaking to the ad hoc part of this, we had no departmental officials as witnesses yesterday. That doesn't make sense, and it was you guys who decided that. We did bring it up.

The question I have in terms of the politics of this is we talked about CPP disability and agreed to do a CPP disability study. Again, it was a private member's motion brought up by a Liberal member, and then I believe it was Mr. Lessard who introduced an amendment to push it back to the fall instead of doing it in the spring, something that would have helped us in this process. I don't understand.

We'd still like to do it before the spring and report back in the spring. Correct me if I'm wrong. I don't think so.

On the Liberal side, the question I have, and I know it comes up time and time again, is in 13 years of government—in the majority for 11 years—you could have done anything you wanted to do, and you've chosen to bring it up now in a private member's bill. Again, it's ad hoc. We need to bring back some reasonable thought to the process in terms of how we approach these things, so that we actually accomplish something for the people we're trying to help.

We heard some real examples yesterday of some desperate need in this area. The department has talked about the fact that they are looking into this right now. As we speak, they're looking into solutions for this. I know the minister's office is looking into solutions for this. We also have opportunities in this committee to work alongside and try to find solutions.

I think we need to focus on doing the right thing here.

The Chair: Okay. The last person I have on this list, I'm hoping, is Mr. Chong.

Hon. Michael Chong: Thank you, Mr. Chair.

I'll go back to one of the points I've already made, because I've always found that dispassionate reason is the best way to approach things.

Many, many Canadians are not eligible for employment insurance benefits. The evidence I have heard anecdotally and from stakeholders in the greater Toronto area is that those Canadians are disproportionately immigrants.

As recent studies have shown, immigrants to Canada, especially in places like the greater Toronto area, are being affected by a lack of economic opportunities. They are increasingly struggling to find the jobs they have come to Canada for, and they are facing many challenges and various social economic indicators.

Therefore, extending sickness benefits from 15 to 50 weeks widens the inequality between those Canadians who are not eligible for employment insurance, especially immigrants in the greater Toronto area, and those Canadians who are.

For that reason I don't think we should exacerbate the inequality gap by passing this piece of legislation. Thank you.

● (1635)

The Chair: Okay. If those are all the speakers we have, then I'm going to ask the question.

Shall clause 1 carry?

Mr. Michael Savage: A recorded vote, please.

(Clause 1 agreed to) [See *Minutes of Proceedings*]

The Chair: Shall the title carry?

Some hon. members: Agreed.

The Chair: Shall the bill carry?

Mr. Michael Savage: A recorded vote.

[See *Minutes of Proceedings*]

The Chair: Shall the chair report the bill to the House?

Some hon. members: Agreed.

The Chair: That's all the business we have today. The meeting is adjourned.

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