

After Recess

The committee resumed at eight o'clock.

On section 10—Officers and other employees of commission.

Mr. McLARTY: I promised the leader of the opposition that during the recess I would obtain an opinion as to the effect of the words "authorized by law". I have obtained from the law branch an opinion which is concurred in by the officials of the Department of Justice, to the effect that as the section now stands it does make the application of the Civil Service Act necessary. I can, if it is desired, read the memorandum which is about four pages in length. The hon. gentleman suggested that I find out when the phraseology had been changed. They refer specifically to such acts as the Patent Act, 1935; the Seeds Act, 1937; the Live Stock and Live Stock Products Act, 1939; the Department of Finance and Treasury Board Act; the Labour Department Act; the Penitentiary Act, and the Department of Railways and Canals Act. In all these acts a similar phraseology is used, and they advise that this wording will be sufficient to cover the point raised by the leader of the opposition.

Section agreed to.

On section 23—Sums deducted from wages deemed trust contribution.

Mr. MacNICOL: Subsection 2 reads:

In the event of the bankruptcy of the employer the commission shall in respect of any unpaid contributions be entitled to the same priority as is accorded wage earners with respect to wages under the Bankruptcy Act.

If there were only enough to pay the wages, nothing would go back to the employer.

Mr. HANSON (York-Sunbury): By subsection 1 the sums deducted are constituted a trust fund and must be accounted for. I think that is wise.

Mr. McLARTY: I did not quite get the question asked by the hon. member for Davenport.

Mr. HANSON (York-Sunbury): In the event of the bankruptcy of an employer there would be two claims, the claim for wages and the claim of this fund. They would be on an equal footing.

Mr. McLARTY: I would say they would rank *pari passu*.

Section agreed to.

Section 24 agreed to.

On section 25—Regulations as to manner of paying contributions.

[Mr. MacNicol.]

Mr. MacNICOL: Is it intended to use cards and stamps throughout Canada in connection with contributions by employers and employees? I found that in Holland, France, and particularly England, the working men took a great deal of pride in their cards. When a man walked into a labour office to present his card he would look at it three or four times to make sure that he would know the card when it came back.

Mr. McLARTY: Generally speaking, I think that will be the method, although there will be some exceptions where administrative difficulties occur. The commission has the power to determine whether cards and stamps shall be used, and I doubt if in the case of the railways with their 75,000 employees more or less, the commission will require the absolute use of cards and stamps.

Section agreed to.

On section 26—Regulations as to payment of contributions.

Mr. MacNICOL: Will the sale of cards and stamps be under the control of the government, and how will they be distributed to the employers?

Mr. McLARTY: Their distribution will be under the control of the commission, but there are a number of methods which may be used. For example, the post offices may be used as distributing points.

Mr. MacNICOL: I found that these cards were not easily obtainable in Europe. In a number of instances I had to identify myself as a member of the House of Commons before I could get one. These cards were not available to everyone.

Mr. McLARTY: Undoubtedly the cards will be issued by the employment offices.

Section agreed to.

Section 27 agreed to.

On section 28—Statutory conditions for receipt of benefit.

Mr. GREEN: This section refers in paragraph (iv) to courses of instruction or training. What is the function of the unemployment commission with regard to directing wage-earners to take courses of training?

Mr. McLARTY: I suppose, Mr. Chairman, it would be fair to say that there are a number of methods which might be used. For instance, there is cooperation with the youth training movement in the matter of training and retraining skilled employees. There has not been laid down a definite programme into which paragraph (iv) would fit, but it was