

and certain questions are asked as to when he purchased his last stamps, what was the total number etc, and we can judge from that just how far behind he is in his delinquency.

Mr. MITCHELL: I realize that and that is quite true. I am speaking from one of your auditor's standpoints when I ask this question: how is he instructed to warn or apply a penalty to the employer—in the amount of arrears or the length of time of arrears when he is asked to go in and investigate?

Mr. MCGREGOR: As the minister has pointed out, there is a continuous check on the purchases of stamps throughout districts. Each office would know when an employer is not purchasing his stamps. A notice of this is sent to the district auditors and in response to that they might send an auditor out right away because we realize he is not making the proper contribution.

Furthermore, if there is a complaint made by an employee the moment the complaint comes in from an employee that is investigated specially.

Mr. MITCHELL: Then I would not be correct in saying that your auditors have been instructed to assess a penalty in a period of, say, two weeks' time?

Mr. MCGREGOR: Not necessarily, no.

Mr. MACLEAN (*Winnipeg North Centre*): Mr. Chairman, if possible, I would like to get the number of people prosecuted for infringement of this act and the number of successful prosecutions.

Mr. STARR: That is the employers?

Mr. MACLEAN (*Winnipeg North Centre*): Does this only cover the employers? I am thinking of people who make false claims.

Mr. RUTHERFORD: I can only give you the figure for the previous fiscal year. Our enforcement branch has stepped up its activities since then. They made about 60,000 investigations this year as against 45,000 last year.

Last year for the fiscal year 1956-57 there were 649 prosecutions recommended and penalties imposed under section 65 of the act amounting to \$4,999. That was out of a total of 55,000 investigations completed I see here. I mentioned 45,000, it is 55,000 shown here and there were some 5,500 or approximately 10 per cent of the cases investigated where there was guilt and punitive action was taken. Of that there were penalties imposed under section 65, which are penalties without going to court and 649 prosecutions recommended.

Mr. SPENCER: What was the recovery, only \$4,000?

Mr. RUTHERFORD: I have not given the recoveries.

Mr. SPENCER: You had 5,500 trials?

Mr. STARR: This, Mr. Chairman, is taken out of the sixteenth annual report for the fiscal year ending March 31, 1957, but if the hon. member wishes it for the fiscal year ending March 31, 1958 we can send that over to him.

Mr. MACLEAN (*Winnipeg North Centre*): Yes, I do not want to hold the committee up.

Mr. STARR: We will send that information on to you.

Mr. MACINNIS: Is there a way where a contributor can take himself out of the unemployment insurance regulations?

Mr. MCGREGOR: Yes, when the salary at the moment is \$4,800. Anybody earning over \$4,800 as long as he is not being paid by the day, the hour or the piece is no longer covered when he reaches \$4,800 although he can elect to remain insured by paying his own contribution and that of his employer from the \$4,800.

Mr. MACINNIS: Beyond \$4,800 he is responsible for both his own share and the employer's share?

Mr. MCGREGOR: Yes. If he does so six months after going over the \$4,800.