

his proposed bill, and the established practices of this House and the Standing Orders dictates that the Chair must rule that Bill C-34 should not be proceeded with at this time.

• (5:30 p.m.)

Mr. Knowles (Winnipeg North Centre): Six o'clock.

Mr. Deputy Speaker: Is it agreed that it shall be called six o'clock?

Mr. Knowles (Winnipeg North Centre): We might as well.

Some hon. Members: Agreed.

At 5:35 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS, ADMINISTRATION, ETC.

Mr. A. D. Hales (Wellington): Mr. Speaker, when the House proceeded to private members' business at five o'clock I had just commenced my remarks concerning Bill C-229 respecting unemployment insurance. I had indicated the four areas I hoped to cover and I had dealt with two of them—first, whether this was a welfare scheme or an insurance plan and, second, the question of universality. I should now like to deal with the third point, which concerns the administration of the proposals contained in Bill C-229.

Administration is an area in which there is likely to be considerable trouble. First of all, I can visualize the difficulty administrators will encounter in explaining the need for a two-week waiting period. As you know, Mr. Speaker, under the present plan there is only a one-week waiting period. Even so, each member of this House has had unemployed people contact him to say they have survived the waiting period but were still waiting for a cheque; their money had all been spent and they needed groceries; they were in great need of these cheques, but for some reason which was not apparent to them the cheque had been held up.

One can readily understand what hardship the proposed two weeks' waiting period is likely to impose. People are likely to say: We paid into this plan and therefore we expect payment immediately. They were satisfied to wait one week, but they are not likely to take kindly to the idea of waiting two weeks. Perhaps the committee will give further thought to this feature of the legislation.

Then there is the question of the way in which earnings are to be defined. This is a far-ranging issue and a considerable problem has arisen in this area under the

Unemployment Insurance Act, 1971

terms of the present act. I have in mind the situation likely to be encountered by a man who is a part-time farmer, working in a factory—perhaps he has a farm of 50 or 100 acres—who is laid off at the factory at a time when he has agricultural products for sale. The valuation of these products, as income for purposes of the act, has always caused a great deal of difficulty, and for this reason I hope the definition of "earnings" will be spelled out in the regulations in a fair and equitable way.

Also, I wonder how this legislation will apply to people who have completed an adult retraining program of 25 weeks or so, who have passed the course and are ready for a job. If there is no job available in which they can use their improved skills, will they be eligible for unemployment insurance benefit? Situations of this kind have caused difficulty under the provisions of the existing act.

Administrative confusion is likely to be caused by provision for variation depending upon the national unemployment level. If the national level of unemployment stood at 4 per cent or lower, ten weeks' benefit would be available to insured persons; if the national rate were between 4 and 5 per cent, workers would be entitled to 14 weeks' benefit, and if the rate rose above 5 per cent they would be eligible for 18 weeks' benefit.

Can hon. members visualize administering this bill under those provisions? Suppose the Dominion Bureau of Statistics said today that the unemployment rate was 4 per cent: the fellow who put in his application for unemployment insurance yesterday would be eligible for 10 weeks benefit, but those who apply tomorrow would be able to draw 14 weeks' benefit. This illustrates the difficulty which arises when one establishes a dividing line. We have experienced this difficulty in connection with other legislation. In this case I can visualize chaos within the Unemployment Insurance Commission offices under the new provisions which rely on the percentage of unemployment to determine the number of weeks for which a worker is entitled to benefit. This is a nightmare that the administrators will have to wrestle with unless the committee decides to make a change to this part of the bill.

• (8:10 p.m.)

I should like to say a word or two about why these two departments should be one department, as they were previously. I refer, of course, to the Department of Labour and the Department of Manpower and Immigration. The Unemployment Insurance Commission used to be in charge of the national employment service. People who were unemployed went to one of the NES offices to register. In the same office the decision was made whether they were eligible for unemployment insurance benefits. There was close liaison between the two branches. After all, what could be more closely related than a man out of work and a man seeking employment or unemployment benefits?

There is an Unemployment Insurance Commission office in the centre of Waterloo, near where I live, and this office covers a radius of about 100 miles. The staff is responsible for seeing that people in this area who are unemployed are paid benefits. The Manpower offices in