

*Unemployment Insurance Act*

that I put on record on Thursday, June 2, as reported at page 4341 of *Hansard* the following statement:

It should be made clear that all proposed changes in unemployment insurance regulations are discussed fully with representatives of both organized labour and management, and that it is the policy of the government to make no recommendations that will prejudice labour-management negotiations on questions such as the guaranteed annual wage, or on any other matter.

On that ground I stand.

Clause agreed to.

Clauses 57 to 65 inclusive agreed to.

On clause 66—*Illness*.

**Mr. Knowles:** Clause 66 is the one that carries forward the advance that was made a couple of years ago, when provision was written into the Unemployment Insurance Act making it possible for a person who has started drawing unemployment insurance benefits and who then becomes sick to continue drawing his benefits even though he is ill. As we pointed out at the time, that was a progressive step. We were very pleased that it was taken. We regret, however, that no further steps have been taken in connection with this matter of unemployment insurance benefits during periods of illness.

As the hon. member for Cape Breton South pointed out when we were on clause 1 today, there is the case of the worker who loses his job for the reason that there is no job, but who becomes sick within three or four days after losing his job, before he can establish his entitlement to benefit. That worker cannot draw unemployment insurance benefits. He may be a fellow worker of another person laid off from the same plant who was more fortunate and did not take ill until a week later. We think that a change should be made to cover that group. But I make it quite clear, Mr. Chairman, that we feel the government should go further in this matter, and that a sickness benefit for persons covered under the Unemployment Insurance Act, unemployed because of illness, should be included.

Let me say quite clearly we recognize that this would involve an increase in the amount to be paid into the unemployment insurance fund. It was indicated to us in the industrial relations committee that some study had been given to this matter by the commission or for the commission. One of the actuaries who appeared before us indicated that for a benefit, whether for unemployment or for sickness, for a certain period of time, it had been worked out how much the contribution would have to be increased to cover that. I do not know where along the line that legislation travels the idea got dropped, but at

any rate it does appear that some study, even to the point of working out actual figures, was given to the possibility of an extension so there would be unemployment insurance benefits for workers covered under the act, whether they lost their jobs because of unemployment or because of illness.

After all, a person who is unemployed because of illness is just as much in need of protection of his income as is a person unemployed because there is no job. Those who were members of the committee will recall, and others who have read the evidence will know too, that we asked the representatives of at least two of the labour organizations that appeared before us what their attitude would be toward an increased premium to make possible a benefit for sickness as well as for unemployment. Both the Canadian Congress of Labour and the Trades and Labour Congress representatives said they would support such an increase; they would be glad to recommend that labour pay its share of such coverage.

One of the representatives admitted that they had been told by the Prime Minister that this was a form of health insurance through the back door, and that was the reason we were not going to get it. I suggest that is no reason, Mr. Chairman. True, a sickness benefit could be part of a health insurance program. My hon. friend the Minister of National Health and Welfare knows that; but a sickness benefit can also be part of an unemployment insurance program.

Some day we are going to have legislation of this kind in Canada. It is in the line of progress along which I hope we are moving in this country, and I do not see why the government always has to wait until the last possible day instead of taking a lead in matters of this kind. As a matter of fact the Minister of National Health and Welfare proposed this sort of thing when he was the humble member for Essex East, away back 15 years ago. There are others on the Liberal side of the house who share this view.

I regret very much, Mr. Chairman, that at this time when we have had this complete overhaul, this complete review of the Unemployment Insurance Act, the government has not taken this progressive step. I recognize it is the kind of step that sooner or later must be taken to cover those other sections of the population. But here is machinery covering a large section of the population; here is an area in which this kind of step could be taken, and I urge that consideration be given to it and that the government not waste too much more time before we include in our legislation provision for a sickness benefit.