

*Unemployment Insurance Act*

these people the hon. member for Winnipeg North Centre has been referring to will not suffer any hardships during that period of time. If they do suffer hardship, then we will do something about it.

My advisers tell me that by this change the 3.5 per cent of those who are actually drawing benefits will now be cut in half, or that 1.75 per cent of them will be all that could be left out, now that it has been increased to 36 weeks. Even with the 1.75 per cent we are still going to maintain section 5. This is a cautious, conservative trial run for the next three years. Before that three years is up the act will certainly be gone over very carefully.

**Mr. Knowles:** If what the Minister of Labour has said is notice to the Minister of National Health and Welfare that he must leave this as it is, then I say to the Minister of National Health and Welfare, now that he is sitting over here on this side of the house, with us, where we can get at him—

**Mr. Martin:** I am sitting with the Conservatives for the moment, to speak to the hon. member for Middlesex East.

**Mr. Knowles:** Well, there might be something significant or appropriate in that, but at least he is sitting on this side of the house. I suggest to him that in view of this change it is time he took the means test off the old age pension at the age of 65.

**Mr. Gillis:** Mr. Chairman, I have already made some remarks in this debate, but there is something I wish to have cleared up for my own satisfaction.

I am still thinking about the workers who are in the position and the circumstances of the coal miners of Cape Breton. I want to find out how such a worker would go about establishing a benefit week. In committee the representatives of the commission told us that the establishment of the benefit week is no longer in terms of days, but in terms of the amount of money earned. At the same time the worker must put in five waiting days in order to qualify for insurance.

Let us take the present case in Cape Breton, where 8,000 miners have been informed that they are going to be idle for the next week. Beginning the first of that week they have to put in five waiting days if they are to qualify. Saturday is not an insurable day. The following week they have not established the benefit week. In the second week they go back to work, and work full time. In the next week they are unemployed for five days. They still have to put in five waiting days in order to qualify for insurance.

[Mr. Gregg.]

In these circumstances I would like the minister to state what the position would be. The facts are these, that the first week they are idle, and do not qualify. The second week they work and earn a week's wages, and the third week they are idle again. How do workers in that position establish the first benefit week?

Once they begin to draw benefits, then I understand it is the amount of money they earn in that week if they are idle two days and work three, or are idle three days and work two. But in the circumstances I described, it is a little different. The number of waiting days is the thing that seems to be the catch. I wonder if the minister could clarify that point.

**Mr. Gregg:** I would not even attempt to go into the fine points of the case the hon. member has mentioned, but I am assured that in that very rough rule of thumb case, where they are laid off for a week, come back and work a week, and are then laid off the third week, the first week is the waiting week, the second week they would get regular pay and the third week they would receive unemployment insurance.

**Mr. Gillis:** How do they qualify? Do the five days they were unemployed in the first week serve as the waiting period?

**Mr. Gregg:** That is right.

Amendment agreed to.

Clause as amended agreed to.

Clauses 49 to 55 inclusive agreed to.

On clause 56—*Deductions.*

**Mr. Knowles:** Before clause 56 is carried I wish to endorse as strongly as I can the suggestion made earlier today by the hon. member for Cape Breton South that the regulation under the old act, denying unemployment insurance benefits in the event of a provision for the guaranteed annual wage, should be allowed to die with the old act.

**Mr. Martin:** You are away behind the times. We have taken that out.

**Mr. Knowles:** And I suggest that the minister might now give us the assurance that such a regulation will not be re-enacted under the new act.

**Mr. Martin:** I suggest that my colleague read the last paragraph in your statement of the other day.

**Mr. Gregg:** I dislike acting too impulsively, without receiving the advice of the unemployment insurance commission, which must review these things. But after going over the point my hon. friend is stressing may I say