

*Unemployment Insurance Act*

where it would be anticipated people could get jobs if they were given sufficient income to enable them to move from one area to another. This clause would have been advantageous where very recently there was a shutdown. There were difficulties getting separation, and because the separation had to be issued two or three times before it was correct there was considerable delay in making the benefits available to the claimants. The claimants were under a very severe handicap because the cheques which were paid a month before the cessation of work at that plant had bounced. They received no money from those cheques and those who took them to the bank and had them cashed had to repay the money. They were unable to draw the last pay cheque because the company had no more money.

In addition to that, there was no vacation pay and none of the other things which normally would be forthcoming. I understand that it has been the practice, where this payment was made, that the additional moneys which might be available were not taken into consideration and that the three weeks provision was applied in the hope that the person would be able to look for a job outside his area, and that if he got a job he would be entitled to keep the money, and it would only be reclaimed if there was a subsequent claim.

The requirements which were necessary to establish this were quite stringent, in my opinion. They demanded a major attachment to the market. The job had to be terminated without any expectation of recall. It was necessary that there be an expectation of the person being able to find employment. Health requirements were originally not taken into consideration. I am sure this was something which could have been corrected, and probably should have been, because it would not meet the normal requirements of the act.

The minister indicated there will be some other method of trying to accomplish what apparently has not been very satisfactory in terms of section 28 of the act. I do not know how it worked in the minister's area, though his area is very much like mine. I am in the area of the Timmins, Sudbury, Sault Ste. Marie and North Bay unemployment insurance offices, and I found very little difference in any of them. To my knowledge, none of them was making any attempt to use this legislation. I think Thunder Bay was in somewhat the same circumstances, and it was not used very extensively there.

I think the officials of UIC should have given it a try in some areas. I understand that where it was used, it was not satisfactory. One of the problems I have in my area is that when a person is unemployed—and he does not have to be unemployed very long—he has no money to pay any of his expenses and he has to turn to municipal welfare. A number of these people have gone to the municipal welfare people asking for the use of an assignment and a payment by the welfare office. This has been of particular significance where the person agreed to get out of town and go somewhere else for employment.

In my area it has been normal for the municipal welfare department to give favourable consideration to those claimants asking for assistance where it means they move to one of the major communities where they can find employment. They have the same problem whether they

[Mr. Peters.]

are unemployed or employed. Where a situation develops and work is no longer available and will not be available, it is absolutely essential they move out of the area.

I found that the assistance being given through mobility and the other programs has not worked advantageously. When a mine closed in my area, most of the people who moved out and got jobs did so in a fairly short period of time. All of them did it on their own, and almost all of them disqualified themselves from any mobility grants because they obtained jobs by themselves rather than through Manpower. However, in at least two or three cases that I know of, in order to do that these people were financed for transportation by the municipal welfare department. I suggest that if this three weeks' payment would obviate that situation, it certainly would be worth while.

My staff handles eight or ten cases per day, and they had never heard of the three weeks' payment. I suggested they telephone and find out why they had not heard about it. They telephoned and were told it was not used. In many areas it has not been given a fair chance, and I can see that it could be of some advantage.

In closing, I should like to say that I appreciate the indication by the minister that he has no intention of eliminating the emergency pay, because I can say that in my area it has been used. The officials have been very generous when there has been extreme difficulty, and it has been used on a number of occasions. I can honestly say that seldom has it had to be paid back. In other words, the insurance officers had enough information to assume that the claimant was going to be paid, and when the emergency payment was made it was usually made in good faith and received in the same way. I was pleased to learn that that is not to be cut off, because it has been very useful.

However, I am still of the opinion that if the three weeks had been used in some instances which come to mind in my area, it would have eliminated some of the difficulty which arose. The most recent example is when a sawmill closed and 400 or 500 workers were laid off. Bush and mill operations were terminated and the employees had not received any money for the previous month's work. They encountered considerable difficulty in getting their separation slips. This three weeks' payment would have been a godsend to almost everyone who worked in those operations. I suggest it may not be entirely due to the provision not having been used, and it may also be true that there had been abuses and that the record which was used indicated it did not accomplish what we wished. I am always hopeful that when we make a reasonable offer to the ordinary worker, such as an advance of three weeks' pay, most workers would be willing to take advantage of it if jobs were available in their area.

● (1710)

In reading the committee reports, I regret that I may have been somewhat stronger on this subject than it warranted. I should like to suggest to members of the committee, however, that the documents used in helping them arrive at a decision should be attached to the report so that other members when looking over the record would have