

Mr. DesRoches: That is right. That is the purpose of the middle column. It indicates the number of calendar weeks over which a person can draw the weeks in the third column.

The Acting Chairman: What happens when a person starts his benefit period in, say, November, and draws it under this schedule up to the end of the year. When the new rates come into effect, does he get a sudden jump?

Mr. DesRoches: This table is more than transitional. It sets the duration of benefits for the new act, both in the transition and beyond. There is a continuation which I have to explain. There are two or three ways of extending these benefits. Regarding the rate of benefit, there is a difference in the transition in that starting in January those people who are now in the plan will have an adjustment. Perhaps that is what you are referring to?

The Acting Chairman: Yes.

Mr. DesRoches: Benefits for the people who are now in the plan will in January be adjusted to a higher rate because the benefits will then become taxable. Therefore we have a special table in the bill to provide for that situation. For those who come into the system from July on, the table on page 106 will apply through the transition and forever.

This is what is called the initial period in the act. The initial period is this graduated entitlement, with a variable duration of benefit period which is in Table I. If a person has exhausted or has reached the term of this benefit and is still unemployed, he goes into a "re-established" period of 10 weeks, then he can go into an extended benefit period. Table 2 shows one of the conditions under which benefits can be extended. The re-establishment period of 10 weeks is not shown in the table.

With regard to a person who had, for example, 15 weeks in Table 1, there would be a further period of 10 weeks entitlement under what the act calls a re-establishment of the initial period. The initial period can therefore last up to 25 weeks for the person who has 20 weeks of work.

Beyond that point we have Table 2, which is the extension of the benefit period, the entitlement of a person based on his labour market attachment. Again, it is a graduated type of extension. The person who has worked the longest gets the most. This form of extension is to provide for those who have worked for longer periods, and, for example have greater difficulty because of their age or other condition.

Two further methods of extension are provided in the act, depending on the level of unemployment in the country and in the regions. These extensions are explained in the body of the act rather than in tables.

If the level of unemployment in the country exceeds 4 per cent, four weeks can be added to a person's benefit period. If it exceeds 5 per cent, then eight weeks can be added.

Senator Connolly (Ottawa West): That is not additional. That is four plus four?

Mr. DesRoches: Yes. At 4 per cent there is no extension, between 4 and 5 per cent there is an extension of four, and over 5 per cent there is an extension of eight, starting from the zero point.

Senator Connolly (Ottawa West): The 4 per cent is the figure produced by Statistics Canada on the national average unemployment rate?

Mr. DesRoches: That is right. The theory here is that a person has more difficulty finding work when the level of unemployment is higher. This is the basis for the first extension of the benefit period. Beyond this extension there are regional extensions and we are planning to have 16 regions. They will be appended to the regulations.

The Acting Chairman: While we are still on the question of weeks, how is a week defined? Does any seven-day period constitute a week? What happens if you have four days in a week? Would that be counted as a week?

Mr. DesRoches: The benefit week starts on a Sunday. It is a seven-day period starting with a Sunday.

Senator Connolly (Ottawa West): That is in section 2(1)(y) on page 3, which says:

"week" means a period of seven consecutive days commencing on and including Sunday;

The Acting Chairman: If a person works, say, four consecutive days beginning Sunday, and something happens to him on the other two days, would he lose that week?

Mr. DesRoches: No, he would not. His benefit week would start on the Sunday. However, his earnings during the first four days would be counted against him. It would be discounted against his waiting period. Waiting period is really served in money. Effectively he would have to serve a waiting period of so many days with no income.

The regional extension is similar to the national extension. It is longer, and is based on the rate which will be calculated for us by Statistics Canada in 16 specific regions across the country, which will be defined in regulations. We have maps showing these, if you are interested, Mr. Acting Chairman.

Statistics Canada will compile the rate of unemployment in each of these regions for us. If the rate in any one region is one per cent over the national average, a six-week extension will be possible; if it is two per cent over the national average, a 12-week extension will be possible; if the rate in the region is three per cent above the national average, an extension of 18 weeks will be possible.

All these benefits have a maximum of 51 in any one year, so by various combinations you cannot exceed 51. There are provisions for a basic initial period based on the attachment to the labour force—this variable table that I explained before. There is a re-establishment period of ten weeks for the person who has yet to find work at the end of whatever his entitlement is, 8 or 15 weeks. Beyond that point there are three forms of extension, one based on the attachment of the person to the