

Unemployment Insurance Act

that winter. At that time the amount of supplementary benefits was approximately 80 per cent of the regular benefits. Then, in the early part of the year 1952, I introduced to the house a number of general amendments to the act, and included in those amendments were some increases to the regular benefits. At that time I did not recommend any increase in the supplementary benefits because we had had such a very short period of experience with the supplementary benefits, namely only the winter of 1950-51. Since 1952 the supplementary benefits have averaged approximately 70 per cent of the main benefits. Under this resolution it is proposed to increase that to 100 per cent.

The other object of the resolution is to raise the minimum supplementary period to 60 days. That is of course within the limits of the general period of January 1 to April 15. At the present time the minimum would be somewhere about 18 days. The general period under this recommendation will remain the same, namely from January 1 to April 15.

The reason for asking that this small bill be introduced early is so that these new benefits may take effect right away, or as soon as the bill receives royal assent, to be dated from the Monday of the week in which royal assent is given. Then later on—and not too much later—I intend to bring in amendments with wider implications to the Unemployment Insurance Act. When they come forward these amendments will absorb automatically the ones I am proposing today. So there will be the advantage, if it is desired at that time, of having further discussion with respect to all these things which I am now proposing shall take effect immediately.

I am sure hon. members will feel the wider amendment that will come later should receive very careful study both in the House of Commons and in the standing committee on industrial relations. This I shall suggest.

Since these supplementary benefits were established in 1950 they have been very helpful indeed in our winter period of unemployment; and I am confident that with this improvement they will be very much more so during the remainder of this present winter.

Mrs. Fairclough: Mr. Chairman, before I embark upon the comments I wish to make concerning this resolution I think it might be of interest to the house to know that today, January 11, is the 140th anniversary of the birthday of that great Canadian statesman, Sir John A. Macdonald—a statesman, I might add, who took a lead in recognizing the rights of workers of this nation. It is

[Mr. Gregg.]

most appropriate that improvements in labour legislation should be introduced on this date. No doubt the Minister of Labour had that in mind when doing so.

Mr. Chairman, the raising of the rates of supplementary benefits to those of regular benefits will remove the disparity which has existed heretofore. In the original instance the rates may have been calculated on the same percentage basis, but with the changes which have taken place, and to which the minister has referred, the percentage of benefits paid has now varied to the extent that they range all the way from 67.5 per cent to 81.25 per cent of the regular benefits, depending upon the classification into which one happens to fall.

As will be seen from the report for the year ending March 31, 1954, supplementary benefits form a very small part of the total benefits paid, and the increase from approximately 80 per cent to 100 per cent of the benefit rates will not affect the fund substantially.

We on this side of the house have asked on several occasions for an increase in these benefits. Two years ago last July, when the regular benefits were raised, several members, not only in this but in other parties, asked that the supplementary benefits should be raised accordingly. Of course that was not done. It is interesting to note however that the reason given at that time and subsequently for not raising the supplementary benefits was that the beneficiary who received the benefits should be the same as the person making the contribution. I believe at one stage in the debate I remarked on what a ridiculous argument that was.

Today I have taken the trouble to make some calculations. I am sure hon. members will recall that when the supplementary benefits were introduced contributions were increased by one cent per day for the employee, and a similar amount by the employer, making a total increase of two cents per contribution. I find from available statistics that as of October 1, 1954, there were 3,219,000 persons insured; and on the basis of 300 contributions per year at this rate of one cent from the employee and one from the employer we arrive at the total amount of \$19,314,000 paid into the fund to defray the expenses of supplementary benefits. Last year, when the heaviest strain developed on the fund for the purposes of supplementary benefits, according to the report which just came to hand yesterday the total amount paid out was \$12,234,281. So the fund has been benefiting by more than 50 per cent in excess of the payments made to workers by way of supplementary benefits.