

relate to a time when the scale of government operations was very much smaller indeed, and the pace at which Parliament operated was not quite as forced as is now the case. Perhaps these words do convey a mistaken impression, but they still have a legal meaning, I am told by the lawyers, which is quite satisfactory for the current circumstance. The difficulty is rather one of appearances than legality. Senator Phillips says that there is no authority for these payments to be made, but there is in contemplation under section 23 of the Financial Administration Act just this particular circumstance, and there is parliamentary authorization to make these payments through the mechanism of Governor General's warrants. This is a standing parliamentary authorization for it to be done.

**Senator Phillips:** Over \$800 million?

**Hon. Mr. Drury:** For payments in excess of \$800 million, that is correct. The limit on advances made by the Minister of Finance under the terms of the Unemployment Insurance Act is \$800 million. This, however, is not a prohibition which would inhibit Parliament or its delegated agency furnishing moneys to the Unemployment Insurance Commission under some other heading. This particular technique, advances by the Minister of Finance to be repaid on terms and conditions set out by him, is limited to \$800 million.

**Senator Phillips:** I agreed to yield, Mr. Chairman, but I will say that I look forward with great interest to the report of the Auditor General on the legality of the procedure.

**The Deputy Chairman:** Senator Argue?

**Senator Argue:** My question relates to explanation of another point in the estimates.

**The Deputy Chairman:** We are now dealing with vote L30a, Manpower and Immigration, which appears at page 28 of the supplementaries.

**Senator Flynn:** I have one question related to this item, if no one else wishes to ask a question.

**Senator Prowse:** I have a question, but I will yield to Senator Flynn.

**Senator Rowe:** I have one question on this particular matter.

**The Deputy Chairman:** I am suggesting that we stay with vote L30a, and then go on to any other votes. May I take Senator Flynn now?

**Senator Flynn:** My question follows on the one I asked before. If Parliament had not been dissolved at the time the fund needed refunding, do you not think you would have proceeded by amending the act rather than by appropriation in supplementary estimates?

**Hon. Mr. Drury:** That is a fairly safe assumption. As soon as Parliament re-assembled, we proceeded to amend the act rather than proceed with further financing by appropriation.

**Senator Flynn:** The legality of proceeding by legislation rather than by Governor General's warrants is quite clear.

**Hon. Mr. Drury:** The desirability of proceeding by amending legislation is quite clear, when circumstances are such as to allow or permit the amending of legislation. It is somewhat difficult to do when Parliament is not in session.

**Senators Hays:** I preface my question with an example. I know of a man, a truck driver, who earns approximately \$7,000 a year, or \$600 a month. He told me that his unemployment insurance payments amounted to \$390 a month. He is working in the field of agriculture. Agriculture wages today are around \$300 a month. The man in question would like to work, but he has to compete with unemployment insurance payments. There are two things that set the standard wage today: one is welfare; and the other is unemployment insurance. The man will have to be paid in the neighbourhood of \$250 a month to have his services utilized.

The man is not allowed to moonlight as a farmer or any other employee might be. I am wondering if the government is giving any consideration to this problem. Agricultural labour has dried up because of the two programs. In most places people are unable to compete with unemployment insurance or with provincial welfare programs. Has any consideration been given to resolving this problem? I do not know how to resolve it, but it is a serious problem facing agricultural workers. Agricultural workers do seasonal work. At other times they work on construction jobs or other heavy labour jobs. Immediately they are needed, they go back to work in agriculture. Many of them would like to work and will do so for approximately \$100 more than they receive from unemployment insurance. I would like to know whether any consideration is being given by the government to this dilemma in which the agriculture worker finds himself.

**Hon. Mr. Drury:** I think it is well known that there is now under consideration an amendment to the Unemployment Insurance Act to try to avoid what Senator Hays has referred to as this competition. A man who is capable of working, and for whom an appropriate job is available, will not be eligible for unemployment insurance. The administrative problem lies in determining the suitability of alternative jobs for a particular individual and in making a ruling on whether he can claim unemployment insurance while a particular job is open and available to him. The problem will be tackled in the proposed amendment to the Unemployment Insurance Act, in a second bill which will come before Parliament later in the session.

**Senator Rowe:** Mr. Chairman, am I correct in drawing an inference, from what Mr. Drury has said, that given a situation where there is no Parliament, where Parliament has adjourned or in this case is in dissolution, and given the social situation which obtains in respect of unemployment, there is really no alternative for the gov-