

THE SENATE

Monday, February 27, 1950

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

UNEMPLOYMENT INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 8, an Act to amend the Unemployment Insurance Act, 1940.

The bill was read the first time.

SECOND READING

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

**Hon. Wishart McL. Robertson:** Honourable senators it is important that this measure be considered as early as possible, and if the house sees fit I should like to proceed with the second reading this evening. Therefore, with leave of the Senate, I move the second reading of the bill.

**Hon. Mr. Davis:** Honourable senators, may I be permitted to ask whether this bill provides unemployment insurance for hospital employees?

**Hon. Mr. Robertson:** I shall first explain the bill, and then answer my honourable friend's question.

This bill, copies of which are on all honourable senators' desks, is entitled an Act to amend the Unemployment Insurance Act, 1940. This country is possessed of one of the most comprehensive unemployment schemes to be found anywhere in the world. The passage of the Unemployment Insurance Act in 1940 established a first line of defence against an unemployment crisis. It now provides protection for approximately two and a half million workers, and in addition affords protection to the dependents of these workers, who number over four and a half million. There are thus some seven million Canadian people who constantly possess, as a matter of right, a considerable measure of protection against the fear and want that result from unemployment. More than \$223 million has been paid out in benefits since the Act came into force.

One of the most important results of the passage of the Act has been the administrative organization which has been set up across the country. With branches in every major centre of employment. This organization, which is well informed, provides a

highly efficient method by which the government can measure the import of any employment crisis, and take immediate action to stem any abnormal advance of unemployment.

As we all know, the coming of winter in Canada brings great changes in the employment pattern; many forms of employment cease, and others begin. Reports from all sections of Canada make it evident that there is at present a considerable slump in employment. Past experience indicates that this slump is something that we can expect with the coming of each winter season, but that this condition is usually alleviated to a great extent with the arrival of spring.

The purpose of the bill before us is to give added protection to the unemployed during the months when employment is at its lowest point, namely, in the period of from January 1 to March 31 of each year. This added protection would take the form of supplementary payments to persons who under the present act are not receiving benefits during the winter period. To receive this supplementary payment an unemployed person must have engaged in an industry or an occupation which comes under the Unemployment Insurance Act.

Four classes of persons would be eligible:

Class 1: Persons who have exhausted their benefits under the Act.

Class 2: Persons who have not made the minimum number of contributions to qualify them for payments under the Act.

Class 3: Persons who were employed in logging or lumbering occupations for a minimum of 90 days in any twelve-month period during the 18 months preceding the date of application for benefits.

I may say that persons in class 3 are in a special category; the logging and lumbering industry in eastern Canada will not come under provisions of this Act until April 1. This date is too late to enable the unemployed in these industries to be brought under the provision for supplemental payments for the coming month of March. It was therefore necessary to make this added provision to help them this year. British Columbia lumbering and logging industries have been subject to the Act since 1946.

Class 4. Persons who since the 31st day of March preceding their applications for benefits have worked a minimum of ninety days in an industry which has been made an insurable employment in the twelve-month period preceding the date of such applications.

The supplementary benefit rates payable will be 80 per cent of the standard benefit rates authorized under the Act. Provision is made for financing these supplementary benefits by increasing the contributions. Employees and employers will have to pay an additional one cent a day. The government will pay