

Interim Supply

length because I know that others wish to bring up their grievances before ten o'clock.

I commenced to receive complaints on this matter shortly after the order was given effect, I believe early in October. Upon receiving them I took them up with officials of the national employment service. They wrote telling me they were very much aware of the difficulties in administering the existing regulation and were aware as well of the hardships encountered. The local officials are close to the people, those making application for unemployment insurance, and see the hardships at first hand. It is easy for us living at some distance from our constituencies, and I should say easier for ministers who live in a more rarefied atmosphere than most members of parliament, to lose touch with the problems of the people, but the local officials see these problems and I found those whom I contacted sympathetic, particularly those whom I approached with respect to the lumbering and manufacturing industries in my constituency.

I have received many letters since coming to Ottawa and have read them all with interest. It became obvious to me that a serious problem existed for an increasing number of people as they became unemployed. I will read one letter I received from the British Columbia provincial council of carpenters. Of all the letters that I received, this is one of the best drafted. I think they have faced up to the issue clearly, their argument is well arranged and they hammer home their facts very well. This is the letter I received:

I am writing you on behalf of the carpenters of British Columbia in regards the change in the unemployment insurance regulations 172 and 173. These changes were printed in the *Canada Gazette*, volume 93, Saturday, September 26, 1959, under statutory orders and regulations.

The effects of the amended regulations are that construction workers who have holiday pay accumulated and become unemployed through lack of work, must declare this holiday pay as earnings for the week or weeks immediately following severance of employment.

That condition is general.

This is, of course, absolutely incorrect. The accumulated holiday pay, in the case of construction workers, is money earned while they are working in addition to their regular wages. It then becomes money saved for a holiday at some suitable time during the year. To class this as money earned after separation from employment is the same as saying to every worker who becomes unemployed: "Have you any money in the bank in a savings account? If you have, then you must declare it as earnings and after it is exhausted you will be eligible for unemployment insurance."

I think that point is very well taken, Mr. Chairman.

Let us consider the case of a worker we will call X. Worker X earns \$80 a week in wages. He
[Mr. Herridge.]

takes his holidays in August, getting back to work the first week of September. On December 12 he is laid off. He has worked since his holidays, 15 weeks at \$80 per week. His earnings were \$1,280, plus 4 per cent holiday pay of \$48. On the date of December 12 his earnings stopped. His holiday pay was not earned in the following week. The worker registers at the unemployment insurance office. He is a married man entitled to \$30 per week unemployment insurance. It is reasonable to assume after putting in one week's waiting period he should receive his unemployment insurance. Such is not the case. The \$48 holiday pay is considered his week's wages for the first week following his termination. After that he puts in a second week's waiting period, and only then is he eligible to receive unemployment insurance commencing the third week of his unemployment.

I think this is a matter of considerable concern to the workers.

Let us suppose worker X gets a job again the first week of January. He works until the 22nd of April and the job is completed and he is again laid off. He has put in 16 weeks and made \$1,280 plus \$51.20 in holiday pay. Again he registers for work at the national employment office and to draw unemployment insurance if no work is forthcoming. As his claim is already established and the waiting period put in he should receive his unemployment insurance immediately. Such is not the case. Again the holiday pay of \$51.20 is considered earnings for the first week he is off work.

Supposing no work is available to the 6th of May. Worker X gets a job and works through May and June. It is now July. His children are out of school; it is good weather for holidays but he has no holiday pay to speak of. Once again another construction worker is deprived of an opportunity to enjoy a holiday with his wife and children because of financial reasons. This is the very thing labour was trying to circumvent when they presented briefs and sent delegations to the provincial government requesting them to bring in a holiday pay act.

Needless to say the carpenters of British Columbia are absolutely opposed to regulations 172 and 173. We request you to do everything possible to have these regulations changed whereby accumulated holiday pay will not be considered earnings when a worker is laid off either for lack of work, climatic conditions or for cause.

Thanking you in anticipation of your assistance.

Yours very truly,

E. T. Staley

Executive Secretary

I quoted that rather long letter, Mr. Chairman, because it does, as I say, hammer home the facts surrounding regulations 172 and 173. This matter was first mentioned in the house by an hon. member on the other side; I think it was on January 28. At that time, the minister replied to the effect that the matter was being referred to the advisory board of the unemployment insurance commission which would review the matter and no doubt give it every consideration.

Then, the last time it was brought to the attention of the house was by the hon. member for Vancouver East, as recorded on page 2210 of *Hansard* for March 18, 1960. He said:

I wish to direct a question to the Minister of Labour. Is the minister now in a position to report