

Unemployment Insurance

provisions, conforms in its basic principles and operation to the present insurance provision and will be financed in a similar manner.

I know that hon. members will wish to know what effect the bringing into effect and the application of the supplementary benefits provision will have in relation to the present group of unemployed persons. Well, the known figure of applicants for work registered in our employment offices as at February 2, 1950, as has already been indicated, is 375,600. Of this total, at least 250,000 are either drawing unemployment insurance benefits, or have claimed benefits and the claims are in the process of adjudication. This leaves approximately 125,000 persons looking for employment, who might be grouped as 75,000 who have either exhausted their benefit rights or had insufficient contributions to enable us to pay them benefits; an additional 25,000 who would be normally employed in lumbering and logging, and a similar number in regard to whom we have no knowledge which would enable us to put them in any specific category at the present. It is expected that the proposed amendments which we are seeking at the earliest possible date will benefit approximately 100,000 individuals.

The amendments to the act will also bring additional workers under insurance coverage. At present the act insures salaried workers on weekly or monthly rates if their earnings are \$3,120 or less per annum. It insures workers on hourly, daily or piece rates, regardless of the amount of earnings. The amendments which are covered by this resolution propose to raise the ceiling on such salaried workers to include those earning \$4,800 or less per annum. The estimated number of persons who will be brought under insurance coverage by this amendment is 90,000.

Other amendments to the act include provisions to give effect to a number of recommendations of the unemployment insurance advisory committee, which, as the house knows, includes in its membership representatives of both labour and management. The more important other amendments to the act are:

1. The reduction in number of the existing contribution classes from nine to six, and the creation of a new contribution class for employees earning \$48 or more per week.

2. The equalization of employer and employee contributions. Employed persons under sixteen years of age or earning less than ninety cents per day whose contributions heretofore have been paid by the employer,

and who have not been entitled to benefits will hereafter pay their own share of contributions and will be entitled to draw benefits in like manner as other claimants.

3. Modification of the first statutory condition in the act. At present a claimant is required to have 180 contributions during the two years preceding his claim, at least 60 of which must have been paid since the commencement of the previous benefit year. It is proposed to relax this to some extent by providing that of these 180 contributions, 45 must have been paid within the six months prior to the claim, or 60 contributions within one year prior to the claim.

4. Changes in the present non-compensable day rule. At present the first day of unemployment in any week is non-compensable unless it follows or is in a complete week of unemployment. As amended, in future the first day of unemployment in any period of unemployment will be non-compensable unless it follows a period of employment of three days or less. If a person is working short time, the first day of unemployment in any period of unemployment is non-compensable in every case.

5. The number of members of the unemployment insurance advisory committee is increased from six to eight, to give added representation to labour, and of course correspondingly another representative to management. In addition there are a number of amendments to strengthen the enforcement provisions of the act, or to clarify uncertainties in some sections of the act.

6. The permissible earnings which the claimant for benefits is permitted to earn in subsidiary employment without impairing his right to receive benefit is raised from \$1.50 per day to \$2 per day.

All these matters I have explained in a general way, and I commend the resolution to the house because of the important provisions that it contains.

Mr. Gordon Graydon (Peel): Mr. Speaker in rising to make a contribution to the debate on the resolution introduced by the Acting Minister of Labour (Mr. Martin), I should like to say that when one views legislation of this kind one cannot help but think it is too bad that we have to consider a substitute for work instead of legislation that would be creating work for the Canadian people. What I say this afternoon will not be said in any critical way, because I think most of us feel heavy at heart in having to deal with legislation made necessary by the fact that people are out of jobs or may be out of jobs in the future.