

## THE SENATE

Friday, May 16, 1958

The Senate met at 12 o'clock noon, the Speaker in the Chair.

Prayers.

### ROYAL ASSENT

#### NOTICE

**The Hon. the Speaker:** Honourable senators, I have the honour to inform you that I have received the following communication:

GOVERNMENT HOUSE  
Ottawa

May 16, 1958.

Sir:

I have the honour to inform you that the Honourable Patrick Kerwin, P.C., Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate Chamber today, the 16th May, at 5.45 p.m., for the purpose of giving Royal Assent to certain bills.

I have the honour to be,  
Sir,  
Your obedient servant,  
J. F. Delaute,  
Secretary to the Governor General.  
(Administrative).

The Honourable  
The Speaker of the Senate,  
Ottawa.

### UNEMPLOYMENT INSURANCE BILL

#### THIRD READING

**Hon. W. M. Aseltine** moved the third reading of Bill C-9, for the temporary extension of seasonal benefit periods under the Unemployment Insurance Act.

He said: Honourable senators, on account of the unavoidable absence of the honourable senator from Hanover (Hon. Mr. Brunt), who explained this bill yesterday, I have taken it upon myself to try to answer some of the questions asked last evening. In looking into the subject, I find that the Unemployment Insurance Act is a rather intricate piece of legislation, and I have had some difficulty in preparing the answers. However, I will do my best to satisfy those honourable senators who asked the questions.

But first may I say that in discussing problems in connection with this legislation we have to keep in mind at all times that this is insurance. For example, if I insure my property against loss by fire, I pay premiums to an insurance company, and if I have a loss I collect more than I paid in by way of premiums. The company, in order to be sure that it will have enough money to pay my loss, collects hundreds of

thousands of dollars by way of premiums from other insured persons who have no loss.

**Hon. Mr. Reid:** But if there are a lot of fires the premium rates are increased.

**Hon. Mr. Aseltine:** Yes. The point is that at the time of my loss I get more than I paid in. The same principle is involved in connection with this unemployment insurance. The employee pays in a certain amount by way of premiums, the employer pays in a certain amount, and the Government pays in a certain amount. But if circumstances arise whereby the employee is entitled to start drawing benefits, naturally, in almost every case except where the party has been paying in for years, he draws out much more than he ever paid in. That is what the honourable Leader of the Opposition (Hon. Mr. Macdonald) said, or what I understood him to say, last evening.

Before I start to answer questions I should like to give honourable senators certain other information. In December 1956 the unemployment insurance fund reached its highest point, with \$927 million. Since March of 1957 this amount has been reduced by \$131 million, which is not a great deal, everything considered. The average receipts per month are between \$18 million and \$22 million. So, even though benefits to the extent of \$14 million may be given to these seasonal employees, and although considerable money has been paid out, the fund, we hope, will build up during the summer months until it is almost as large as it was before these heavy payments had to be made.

I come now to the questions asked by some honourable senators yesterday.

One point which seems to bother some of us is the matter of a claimant's credit in the fund. In that connection I wish to say that there are two categories of seasonal benefit claimants, namely, "A" those who, while failing to qualify for regular benefits, have at least 15 contribution weeks since the end of March prior to the claim, and "B" those whose regular benefit has ended since the previous April 15th.

Honourable senators will understand that, under section 53(3) of the act as passed last November, a claimant under "A" is entitled to five weeks' seasonal benefit for every six contributions. Thus, a claimant with a minimum of 15 contribution weeks is entitled to 13 weeks of seasonal benefit. A claimant coming under "B" is entitled to seasonal benefit for the same number of weeks for which he received regular benefit under his last claim. In either case a claimant cannot be paid seasonal benefit beyond the end of