

*Unemployment Insurance*

The payment of supplementary benefits under the new part of the act will be in addition to and without prejudice to benefit rights otherwise established by payment of insurance contributions under the act.

The groups of persons who may qualify for payment of supplementary benefits within the specified winter period which I have just defined, and the extent of the supplementary benefits payable, are as follows:

Class one: Insured unemployed persons, whose benefit rights under other provisions of the act have become exhausted or otherwise terminated since the March 31 preceding the date of claim, may claim supplementary benefits payable during the specified winter period up to the same number of days of benefits to which they were entitled under their last regular benefit year, but not exceeding the number of days in the specified winter period.

Class two: Insured unemployed persons who have not made the minimum number of insurance contributions required to qualify for payment of benefits under other provisions of the act, namely, a minimum of 180 contributions within the two years preceding claim, but who during the period since March 31 preceding the claim for supplementary benefit have made a minimum of ninety daily insurance contributions under the act, may claim for supplementary benefit payable during the specified winter period for the number of benefit days arrived at by dividing the number of contributions made by five, but not exceeding the number of days in the specified winter period.

The ratio of one supplementary benefit payment to five contributions corresponds to the ratio of benefit payments to contribution under the existing provisions of the act.

As I have already stated, the payment of supplementary benefits does not exhaust, interfere with or diminish rights to benefit payments accrued under other provisions of the act.

Class three: Persons who have worked in lumbering and logging in any area where contributions have not been required up to the present for such employment or in an employment of this category, and in other insurable employment, for a minimum period of ninety days in any consecutive twelve-month period within the eighteen months preceding the date of claim, may claim for supplementary benefit payable during the specified winter period for the number of days arrived at by dividing the number of days so employed by five, but not exceeding the number of days in the specified winter period.

Class four: Persons who since the 31st of March preceding the date of claim have

[Mr. Martin.]

worked for a minimum period of ninety days in an industry which has been made insurable employment in the twelve-month period preceding the date of claim, may claim for supplementary benefit for the number of days arrived at by dividing the number of days so employed by five, but not exceeding the number of days in the specified winter period.

The supplementary benefit rates payable will be eighty per cent of the standard benefit rates authorized to be paid under provisions of the act.

Provision is made for financing the payment of supplementary benefit payments by increasing the daily contribution rates payable by employers and employees by the amount of one cent per day each, to which will be added the government contribution equal to one-fifth of the combined employer and employee contributions, derived from the additional one cent contributions payable by them. These amounts will be paid into the insurance fund.

In addition, the government will pay into the insurance fund the amount of the supplementary benefits paid out to unemployed persons in the classes three and four which I have described, namely, the groups who are to be or may be brought under insurance or have been brought under insurance in the year preceding claim, and who have accordingly not had the time to make the prescribed number of insurance contributions to the fund.

While it is estimated that the financial provision outlined above will be sufficient to provide for supplementary benefit payments, nevertheless, since the provision is novel, and in order to safeguard the insurance fund, the fund will be guaranteed against any loss which is sustained in the payment of supplementary benefits up to March 31, 1952.

Now, the whole purpose of this new part of the act is to endeavour the better to adapt our unemployment insurance scheme to fit the normal Canadian employment pattern, in which, in many areas of Canada, unemployment is substantially higher and employment correspondingly more difficult to secure during the winter season.

Our seasonal employment trends are, because of our climatic conditions, more pronounced than in other countries, such as the United States and the United Kingdom, and, subject to compliance with fundamental unemployment insurance principles, I believe we should endeavour to shape our insurance scheme, as far as may be practicable, to take these conditions into account.

The supplementary benefits provision, which is an extension of the present insurance