



Canada. Parl. H. of C. Standing  
Comm. on Industrial  
Relations, 1956.  
Minutes of  
proceedings & evidence.

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HOUSE OF COMMONS  
Third Session—Twenty-second Parliament  
1956

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STANDING COMMITTEE

ON

# INDUSTRIAL RELATIONS

*Chairman:* G. E. NIXON, Esq.

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MINUTES OF PROCEEDINGS AND EVIDENCE

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BILL No. 449,

AN ACT TO AMEND THE UNEMPLOYMENT  
INSURANCE ACT, INCLUDING REPORT  
THEREON TO THE HOUSE.

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TUESDAY, AUGUST 7, 1956

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WITNESS:

Mr. James McGregor, Director of Unemployment Insurance.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1956.

STANDING COMMITTEE  
ON  
INDUSTRIAL RELATIONS

Chairman: G. E. Nixon, Esq.,  
and

Mr. Anderson	Mr. Fraser, ( <i>St. John's</i>	Mr. Lusby
Mr. Barnett	<i>East</i> )	Mr. Michener
Mr. Bell	Mr. Gauthier ( <i>Lac-St.-</i>	Mr. Nixon
Mr. Blanchette	<i>Jean</i> )	Mr. Patterson
Mr. Brown ( <i>Essex West</i> )	Mr. Gauthier ( <i>Nickel</i>	Mr. Philpott
Mr. Brown ( <i>Brantford</i> )	<i>Belt</i> )	Mr. Purdy
Mr. Byrne	Mr. Gillis	Mr. Richardson
Mr. Cannon	Mr. Gregg	Mr. Robichaud
Mr. Churchill	Mr. Hanna	Mr. Small
Mr. Cloutier	Mr. Hahn	Mr. Starr
Mr. Deschatelets	Mr. Harrison	Mr. Vincent
Mr. Dufresne	Mr. Henry	Mr. Weselak
Mrs. Fairclough	Mr. Knowles	

(Quorum 10)

Antoine Chassé,  
Clerk of the Committee.



## ORDERS OF REFERENCE

HOUSE OF COMMONS,  
THURSDAY, January 26, 1956.

*Resolved*,—That the following Members do compose the Standing Committee on Industrial Relations:

Messrs.

Bell,	Gauthier ( <i>Nickel Belt</i> ),	Murphy ( <i>Westmorland</i> ),
Brown ( <i>Brantford</i> ),	Gillis,	Nixon,
Brown ( <i>Essex West</i> ),	Hahn,	Philpott,
Byrne,	Hardie,	Richardson,
Cauchon,	Hosking,	Ross,
Churchill,	Johnston ( <i>Bow River</i> ),	Rouleau,
Cloutier,	Knowles,	Small,
Deschatelets,	Leduc ( <i>Verdun</i> ),	Starr,
Dufresne,	Lusby,	Studer,
Fairclough (Mrs.),	MacEachen,	Viau,
Fraser ( <i>St. John's East</i> ),	MacInnis,	Vincent—35.
Gauthier ( <i>Lac-Saint-Jean</i> ),	Michener,	

(Quorum 10)

*Ordered*,—That the Standing Committee on Industrial Relations be empowered to examine and inquire into all such matters and things as may be referred to them by the House; and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

WEDNESDAY, July 25, 1956.

*Ordered*,—That the name of Mr. Barnett be substituted for that of Mr. MacInnis on the said Committee.

MONDAY, August 6, 1956.

*Ordered*,—That the name of Mr. Robichaud be substituted for that of Mr. Murphy (*Westmorland*) on the said Committee.

TUESDAY, August 6, 1956.

*Ordered*,—That the following Bill be referred to the said Committee:..  
Bill No. 449, An Act to amend the Unemployment Insurance Act.

TUESDAY, August 6, 1956.

*Ordered*,—That the name of Mr. Weselak be substituted for that of Mr. Viau;

That the name of Mr. Harrison be substituted for that of Mr. Studer;

That the name of Mr. Hanna be substituted for that of Mr. Hardie;

That the name of Mr. Purdy be substituted for that of Mr. MacEachen;

That the name of Mr. Henry be substituted for that of Mr. Hosking;

That the name of Mr. Anderson be substituted for that of Mr. Ross;

## STANDING COMMITTEE

That the name of Mr. Cannon be substituted for that of Mr. Cauchon;

That the name of Mr. Blanchette be substituted for that of Mr. Leduc (*Verdun*);

That the name of Mr. Gregg be substituted for that of Mr. Rouleau; and

That the name of Mr. Patterson be substituted for that of Mr. Johnston (*Bow River*), on the said Committee.

TUESDAY, August 6, 1956.

*Ordered*,—That the said Committee be empowered to print from day to day such papers and evidence as may be ordered by the Committee and that Standing Order 66 be suspended in relation thereto.

*Ordered*,—That the said Committee be authorized to sit while the House is sitting.

*Attest.*

LEON J. RAYMOND,  
*Clerk of the House.*

## REPORTS TO THE HOUSE

TUESDAY, AUGUST 7th, 1956.

The Standing Committee on Industrial Relations begs leave to present the following as its

### FIRST REPORT

Your Committee recommends:

1. That it be empowered to print from day to day such papers and evidence as may be ordered by the Committee and that Standing Order 66 be suspended in relation thereto.
2. That it be authorized to sit while the House is sitting.

Respectfully submitted,

G. E. NIXON,  
*Chairman.*

The Standing Committee on Industrial Relations begs leave to present the following as its

### SECOND REPORT

Your Committee has considered Bill No. 449, "An Act to amend the Unemployment Insurance Act", and has agreed to report the said bill without amendment.

A typewritten copy of the evidence adduced in relation thereto is tabled herewith.

Respectfully submitted,

G. E. NIXON,  
*Chairman.*



## MINUTES OF PROCEEDINGS

House of Commons, Room 118,  
TUESDAY, AUGUST 7, 1956.

The Standing Committee on Industrial Relations met this day at 10:30 o'clock a.m. The Chairman, Mr. George E. Nixon, presided.

*Members present:* Messrs. Barnett, Brown (*Essex West*), Byrne, Fraser (*St. John's East*), Gauthier (*Lac St-Jean*), Gillis, Hahn, Nixon, Philpott, and Robichaud.

*In attendance:* Honourable Milton F. Gregg, Minister of Labour.

The Chairman expressed his thanks to the members for re-electing him as chairman.

On motion of Mr. Philpott,

*Resolved*,—That the Committee ask the House to be authorized to print from day to day such documents and evidence as may be ordered by the Committee and that Standing Order 66 be suspended in relation thereto.

On motion of Mr. Byrne,

*Resolved*,—That the Committee ask leave to sit while the House is sitting.

On motion of Mr. Fraser (*St. John's East*), it was

Ordered,—That a report, embodying the resolutions adopted by the Committee this day, be made forthwith to the House.

The Chairman announced that the Committee had referred to it Bill 449, "An Act to amend the Unemployment Insurance Act".

Honourable Milton F. Gregg addressed the Committee briefly.

At 10:40 o'clock a.m., on motion of Mr. Gillis, the Committee adjourned to the call of the Chair.

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### AFTERNOON SITTING

The Committee met at 3:30 o'clock p.m. The Chairman, Mr. George E. Nixon, presided.

*Members present:* Messrs. Anderson, Barnett, Bell, Blanchette, Brown (*Essex West*), Byrne, Cannon, Churchill, Fairclough (Mrs.), Fraser (*St. John's East*), Gillis, Gregg, Hanna, Hahn, Harrison, Henry, Lusby, Nixon, Patterson, Philpott, Purdy, Robichaud, and Weselak.

*In attendance:* From the *Unemployment Insurance Commission*: Mr. J. G. Bisson, Chief Commissioner; Mr. A. L. Murchison, Commissioner; Mr. Leo J. Curry, Executive Director, Mr. James McGregor, Director. Also Mr. H. D. Clark, Department of Finance, and Mr. R. Humphrys, Department of Insurance.

On motion of Mr. Philpott,

*Resolved*,—That pursuant to the authority conferred upon it by the Order of Reference of Tuesday, August 7, 1956, the Committee print from day to day

750 copies in English and 200 copies in French of its Minutes of Proceedings and Evidence, relating to Bill No. 449, An Act to amend the Unemployment Insurance Act.

The Committee considered Bill 449, An Act to amend the Unemployment Insurance Act.

Mr. James McGregor was called and questioned at length on the various aspects of the Bill.

During the study of the said Bill, Mr. McGregor explained to the Committee, through projections on a screen, certain charts showing the differences in benefits between the old Act and the new one.

Clauses one to five of the Bill were severally considered and adopted.

The preamble and title were also adopted and the said Bill ordered to be reported to the House without amendment.

At 4:15 o'clock p.m. the Committee adjourned to the call of the Chair.

Antoine Chassé,  
*Clerk of the Committee.*

## EVIDENCE

TUESDAY, August 7, 1956,  
3.00 p.m.

The CHAIRMAN: Order. We are here to consider Bill No. 449, an act to amend the Unemployment Insurance Act. If it is agreeable we will take it clause by clause.

Clause one—Extension of Act to Fishermen.

Mrs. FAIRCLOUGH: On clause one, the question has been asked: what is proposed with reference to those fishermen who are engaged in fishing on a part-time basis. Will there be the same provisions as there are under the act for persons who work for more than one employer, or will their activities in fishing be separated completely from any employment they might have in another field?

Hon. Mr. MILTON F. GREGG (*Minister of Labour*): Take, for example, the case of a woods worker who also fishes. The benefits that accrue to him due to his work in the woods will be added to the benefits that will accrue from his work as a fisherman, but for him to come under the fishing arrangements it will be necessary for his principal occupation to be that of a fisherman.

Mrs. FAIRCLOUGH: Until the present time if a person's principal occupation—I mean in terms of length of time—were that of a lumberman and he was employed in fishing at other seasons of the year, he had no opportunity of augmenting his contribution by reason of his employment in fishing.

Mr. JAMES MCGREGOR, (*Director of Unemployment Insurance*): All that would be considered when the detailed plan comes to be worked out. Definite proposals have not been worked out yet.

Mrs. FAIRCLOUGH: How would they consider any contributions which might accrue to him from his activities in fishing? If they accrued at a time of the year when he was not engaged in other work they would, of course, automatically be recorded in his book, but supposing he is employed in fishing for a few hours a day and then is engaged in other work for the rest of the day—Even in the case of a self-employed person, take, for example, a man who might have a small store and go fishing for a few hours each day, have you say idea how you are going to handle a situation like that?

Mr. MCGREGOR: Frankly, no, at the moment.

Mrs. FAIRCLOUGH: In other words this is merely a clause which will enable the department to explore the field, is that it?

Hon. Mr. GREGG: It will go further than that—to continue the exploration of the field and to work out a plan to be put into effect.

Mr. BARNETT: I am not sure I get the full drift of that, but the minister has already indicated to us that he is not prepared at the moment to discuss this plan in anything more than broad outline. However, I think it will be a fair question to ask, and for the committee clearly to understand, whether it is intended that the benefits that will accrue under this provision for fishermen will be integrated with those that might accrue from other occupations. I have in the back of my mind, for example, a report which was recently prepared by the Department of Fisheries and the chief supervisor of the University of British Columbia which showed the movement in and out of

the fishing industry in British Columbia, the number of licences issued, in a certain year, the number of licences renewed, and so on, together with the new people who came into the industry. I am quite sure I need do no more than mention this because those details are available to the commission if they have not yet studied them. Supposing a man works for a year in the fishing industry and the following year he feels that prospects do not look so good—we do have some information now, in British Columbia, as to whether the salmon run is going to be a good one or not—and decides to spend the following year in the construction or logging industry. Do the benefits from the payments he made during the year he was fishing accumulate and count along with the contributions and benefits accrued during the year he was logging?

Mr. MCGREGOR: Credit would be given for contributions earned while fishing if he subsequently goes into some other work. That is the idea we shall be working on.

Mr. BARNETT: If he had so many working weeks—

Mr. MCGREGOR: His contributions would be integrated with the others to arrive at the benefit entitlement.

Mr. HAHN: It is certainly not anticipated to give them any special consideration. It would automatically come in under seasonal employment and anything else.

Hon. Mr. GREGG: I think Mr. Barnett has put forward a good example that ought to be quite easy to deal with. Mrs. Fairclough's was one that was in some detail. I think it will be true to say that it will be the effort of the committee in completing the plan to carry out as much integration as possible and to have that conform with the other activities under the act where a line has been drawn. It is too early yet to say where it will need to be drawn.

Mr. ROBICHAUD: Suppose we take the example of a lobster fisherman in an area where the lobster season lasts only for two months. During those two months he contributes as a fisherman but when the season is over, say on July 1, the same fisherman works either in a fish plant or in a lumber camp. Does the time he spent fishing count towards his contributions?

Hon. Mr. GREGG: Yes.

Mr. PURDY: Mr. Chairman, could I ask what the position would be in the case of a fisherman who fishes for just six or seven weeks of the year and is employed in another industry for the rest of the time. That short period may be all the fishing he does.

Mr. MCGREGOR: He may contract out and not make any contributions at all.

Mr. CANNON: Mr. Chairman, I do not have to tell you that I am very pleased about this legislation. I have been asking about it, as other members of the committee will tell you, for the past seven years. Last year, on May 31, when I was on this committee I had the honour of recommending the coverage of fishermen under this act and I was supported, I believe, by every member of the committee who spoke and by representatives of all the parties in this parliament. I made a recommendation which, with the support of my colleagues, was adopted, and the report of this committee dated June 8, 1955 read in parts as follows:

Your committee recommends that the government consider the advisability of extending the Unemployment Insurance Act to cover

- (i) the following classes of fishermen:
  - (a) those who work for wages and
  - (b) those who work in such other parts of the fishing industry as are amenable to coverage.



I wish to congratulate the government on having taken this initiative and to thank them most sincerely on behalf of all my constituents for whom this may be the most important piece of legislation passed in a great many years.

Now I take it for granted that this legislation—although reading it with a lawyer's eye I see that it does not actually extend unemployment insurance to fishermen—indicates clearly the decision of the government to so extend unemployment insurance to fishermen?

Hon. Mr. GREGG: That is correct.

Mr. CANNON: Clause one which we are now studying provides for an amendment of the regulations. There is one question I would like to ask: can the minister tell us when these regulations will be so amended and, if he cannot, can he tell us some definite date not later than which they will be so amended so we will have something to go on? It is all very well to say the government will have the right under this legislation to make regulations to bring the fishermen under the act but when will that be done?

Hon. Mr. GREGG: In the house now I am asking under clause one that the Minister of Labour and the Unemployment Insurance Commission be given authority, as you stated, to amend the regulations for this special purpose. It is the intention of the government to have the plan go into effect by the end of this fiscal year—that the plan may be completed and the regulations governing the plan may be formulated so that the plan and the regulations with it will be completed by March 31, 1957—

Mr. CANNON: That is very satisfactory. Thank you very much.

Hon. Mr. GREGG: —to enable contributions to begin before the end of the fiscal year, March 31, 1957.

Mr. HAHN: In past year when we have discussed this type of legislation, or the possibility of it, we have always been told that the difficulty was bringing in the eastern fishermen, let us say, the unorganized fishermen, and so on. Last year as I understand it, had it not been for some excellent investments, our unemployment insurance fund would have had some heavy drawings on it and would have been reduced, possibly, to the extent of about \$13 million. I am wondering, though I realize that there is no legislation before us or regulations which would bring this into effect, just exactly what is the situation we might expect to have with regard to the fund. Is this going to draw some of that \$12 or \$13 million which was accumulated last year? Is it expected that this extension of benefits to fishermen will result in a continual drain on the unemployment fund? What is the thinking on this matter?

Hon. Mr. GREGG: Well, Mr. Chairman, I think that I should stand up in replying to this question because it is a very important point. I am glad that this has been raised by Mr. Hahn in this committee. I can assure you that this point which has been raised has received a very great deal of consideration by the government. I do not think that it is divulging any secret to say that that point, amongst others, has been the cause of some delay in the matter reaching the committee here.

Now, Mr. Cannon indicated that it was the unanimous wish of this committee at a former session to bring in the provisions which have been outlined in the resolution. That resolution, unanimously adopted, could not be acted upon immediately but it is being acted upon now and is the will of parliament, if you like, although there was not a vote on it.

If you will take the bill which is before you, the two amendments are quite different. The amendments amending section 45(2) were recommended to the Minister of Labour, and by the Minister of Labour to the government and by the government to parliament. They will appear to be something which

we perhaps should have done last year. I can tell you now that the amendment permitting expansion of the regulations which is now before you is as a direct result of the recommendation of this committee at a former session instead of this coming forward from the Unemployment Insurance Commission. The government acted upon that mandate through my asking the commission to tell me whether they could work out a plan that would, in truth, include practically all those who are engaged in the fishing industry on both coasts and inland fishing. They worked it out, with officials from other departments working hard and conscientiously. They came back a short time ago with suggestions as to how to do it. We cannot give you anything like an exact estimate of what it will cost but we have plans which we have been able to complete that will make it apply to both coasts. On the western coast it will be a slightly different application than perhaps in the other parts of Canada; but at least there will be a plan comparable in contributions and benefits to those contributions and benefits extended to employees in other industries. Having done that, the government has decided to go forward with that plan.

It has been decided that when the plan is in operation for one year that the Unemployment Insurance Commission Advisory Committee will be requested to make a very cold examination of its effect upon the fund. We realize, for instance, that it might be necessary at some future date for the government to take into consideration the question of seeing that the fund is not unduly drawn upon because of the particular steps which are being taken now. In other words, if that proves to be the case, some step may have to be taken to recoup the fund to an equitable degree.

Does that answer your question?

Mr. HAHN: Yes. I personally did not anticipate, with the high level of employment that we have today, that there should be too much drawn out of the fund; but at the same time we must recognize that we had the highest level of employment last year in the history of the fund.

Hon. Mr. GREGG: That is a point on which we must try to do our best. I think, perhaps being optimistic, I am inclined to believe that the fund will take these things in its stride if our economy remains near the present level. We will find out in 1959 what effect it is having upon the fund and then I am sure that whoever is Minister of Labour at that time will be able to suggest, if necessary, something to see that the fund is not too heavily drawn upon.

Mr. HAHN: It does seem to me, Mr. Minister, that the second part is complementary to the first part because fishermen are in a sense part-time employees and therefore the effect upon the fund itself may be greater by this section 45(2) as revised in this bill than the actual effect of bringing them into the act itself under ordinary circumstances.

Hon. Mr. GREGG: To some extent.

Mr. ANDERSON: Mr. Chairman, the minister has mentioned fishermen on the east coast. Does this not include fresh water fishermen?

Hon. Mr. GREGG: Yes.

The CHAIRMAN: Shall clause 1 carry?

Mr. PURDY: I was going to ask the minister, or the officials of the Unemployment Insurance Commission, when contacting the various individuals who presumably might be eligible to come into this fund, is it proposed to utilize the present fisheries officers or are we to have another group of civil servants running around the country contacting these individuals?

Hon. Mr. GREGG: Mr. Sinclair and I have discussed this possibility and sometime between now and the end of the year officials from the commission and from his department will proceed to points along the coast where there

might be evident possible difficulty in putting this into effect. In those areas, and in other areas, it might be useful for fisheries officials to cooperate with the unemployment insurance officers in carrying out the terms of this act.

Mr. PURDY: What I am trying to get at is, will the fisheries officials who are in contact more or less with the individual fishermen be in a position to explain all the implications of this to the various fishermen and have them decide whether or not they want to contract in or contract out and if the fisherman contracts out he will not be bothered any more.

Hon. Mr. GREGG: Do you think that would be a good idea?

Mr. PURDY: Yes. The various fisheries officials are in contact with the individual fisherman.

Hon. Mr. GREGG: That is exactly the way Mr. Sinclair and I feel about it. In addition we think that it is very important that the fisheries officials out in the areas should be sympathetic with the act in order to see that it is administered in a beneficial manner and we will attempt to get their assistance in every way.

Mr. PURDY: I think you will find the fisheries officials very cooperative.

Mr. BROWN (*Essex West*): Did you say that the fisherman could contract out? In other words, a fisherman could be in the business and not be under the act and yet a person working in an automobile factory, for instance, has no option?

Mr. MCGREGOR: Yes. That is correct. In the lumbering industry, for example, if a farmer goes into the woods for part of the year, if his main livelihood is derived from farming, as long as he does not spend twenty weeks in the year in the woods, he can contract out under the act, the idea being that he would never make sufficient contributions to qualify.

Mr. BELL: That is what I wanted to ask. Could I use the example of the part-time salmon fishermen in the Saint John river; they are hardly even fishermen. They might make \$1,500 a year in a good season. They go out to their nets about two hours a day on the tide. The minute they get in they take their salmon and sell it for cash. The person whom they have contracted with would apply for exclusion for them from the act. If they did not want to insist on their rights, that would be the end of it.

Hon. Mr. GREGG: Mr. Bell, those people who you mention I know very well. Their main occupation is not fishing. Their main occupation is farming. They would not be broached.

Mr. MCGREGOR: It is not likely under the circumstances.

Mr. BELL: I am thinking of those who try to pass as fishermen. They do not keep a farm and this is practically their sole income even though they do not have very much.

Hon. Mr. GREGG: There is a great deal which the committee will have to do to find the right cut-off line.

Mr. BROWN (*Essex West*): Can a fisherman whose sole occupation is fishing contract himself out?

Mr. MCGREGOR: No.

Mrs. FAIRCLOUGH: I think, Mr. Chairman, that we are missing the main point. Mr. McGregor will correct me if I am wrong but I believe the point is that if this person has another occupation which is uninsurable then his fishing occupation would be insurable. If he should happen to be engaged in total employment, or more employment for a major portion of his time that is insurable, then he could elect to be non-insurable.

Mr. MCGREGOR: That is about the way it is.

Mrs. FAIRCLOUGH: That is applicable to any part-time work in which he might engage. If his major means of livelihood is insurable, then he can apply under certain conditions for exemptions from the provisions of the act in a subsidiary employment in which he engages. Is that not true?

Mr. MCGREGOR: Yes.

Mr. HAHN: Mr. Chairman, on September 23, 1955, the United Fishermen and Allied Workers Union I believe made a submission or a brief to Mr. Gregg.

Hon. Mr. GREGG: Mr. Sinclair was with me.

Mr. HAHN: I believe that this is the biggest local union in Canada as far as fisheries is concerned. They say that a person who does not want to fish during season is no fisherman: it is true that fishermen will get no advantage from their insurance during the fishing season, but no one is asking that they should. All that is asked is that fishermen should be eligible for benefit. I take it they are using the definition they have given here for a fisherman. I am wondering if the minister will agree that that is the definition of a fisherman?

Hon. Mr. GREGG: I do not want to tie down the committee because they would have to produce a definition as they go forward.

Mr. HAHN: We might go a step further and say if they are employed for, let us say, six or eight weeks, as are the lobster fishermen, and then go into the pulp woods for a few days or a few weeks, as long as they work for twenty-four weeks of employment, if the new act is adopted, that would make them eligible for seasonable insurance, would it not?

Mr. C. A. L. MURCHISON (*Commissioner, Unemployment Insurance Commission*): Yes.

Mr. HAHN: Their main occupation is not fishing but they would have the option of contracting in by putting in that time.

Hon. Mr. GREGG: With the two combined if they could make it up, yes.

Mr. BARNETT: Would the minister be willing to give the committee the assurance that the submission made by the United Fishermen and Allied Workers Union, which was fairly detailed and constructive in its approach, will be studied in relation to the regulations that are drawn up? I wanted to say that I like the remarks made by Mr. Purdy in respect to the cooperative work of the officials of the Department of Fisheries. I know that in my own area while those officers have plenty to do, I do feel that it would be very worth while to make sure that they are kept well informed and are prepared to pass on that information to the fishermen in many of the small centers where they are stationed because in many cases they are the only representatives of the federal government that are available to the fishermen in those localities.

One question I want to raise at this point is in relation to some remarks which I recall the minister making either in the Estimates Committee or in the house, I forget which, that had to do with the period before this plan actually came into effect, that field studies were going to be made. I understood him to say that in all probability organizations and others interested would be circularized, and that the minister would be open to suggestions. If that is going to be the case I would like to know whether we could have an understanding that as members of parliament we will be circularized with any such amendments or documents or proposals so that we can have the advantage of studying them, as it goes along and of making any suggestions that we might have, and also of taking advantage of any opportunity to have discussions with the fishermen and of going into these matters so that we may pass along any suggestions they may have brought to our attention. I am thinking particularly of what might happen between now and the time we meet again at the next session.

Hon. Mr. GREGG: On the first point which Mr. Barnett has made as to the delegation which came to Ottawa to see the Hon. Mr. Sinclair and myself, we spent the entire afternoon discussing the matter with them, and we were both greatly impressed with the way in which their representations were made, and as a matter of fact we found that some of the suggestions made were useful. At the time one of the members of the commission, Mr. Murchison, who is present today, was proceeding to the west and I asked the chief commissioner to ask Mr. Murchison to get in touch with these gentlemen after they got back to British Columbia. The commissioner did so, and the result was that Mr. Murchison had a long discussion with them and got some very helpful representations.

On the second part as to the suggestion between now and the end of the year, I shall certainly ask that when representatives of the working committee have occasion to go out to the coast—to any part of either coast, to look into matters on the spot, that they will unquestionably get in touch with the member of parliament in the area where he or she may be. There might not be a chance from week to week or month to month to make a report as to the progress. I would ask that if any member of this committee or any member of parliament was interested, if he would drop a line to me when I would be glad to answer any point that may be raised. I think it would be difficult to ask the committee to send out a progress report every two or three weeks.

Mr. BARNETT: Oh no, I was not thinking of that!

Hon. Mr. GREGG: No, when the session opens in 1957—while I am sure that a plan will be matured by that time, there will be an opportunity to make a full report on it at the next session of parliament.

Mr. LUSBY: Does this subsection (b) mean that if every fisherman comes under the act there must be someone who is put in the relationship of employer?

Hon. Mr. GREGG: "Including as an employer of a fisherman any person with whom the fisherman enters into contractual or other commercial relationship in respect of his occupation as a fisherman; —". That is the fish buyer.

Mr. LUSBY: What about the case of a man who fishes and then peddles his fish from door to door?

Hon. Mr. GREGG: Those are ones we have got to look at very carefully.

Mr. LUSBY: Have you sounded out the feelings of the commercial buyers who would have to make contributions, on that point?

Hon. Mr. GREGG: There have been discussions with the bigger buyers in Nova Scotia.

Mr. LUSBY: And there did not seem to be too much objection?

Hon. Mr. GREGG: They would not go all the way and say that we should recommend this bill.

Mr. LUSBY: I know quite a few of them who might be quite indignant about it.

Hon. Mr. GREGG: No. From our investigations outside so far even at points where you might expect to meet with active resistance there has been an inclination to say with us that this is worth trying; let us see if the fishermen who have gone out in dangerous and hard times and suffered great hardships—let us see if they cannot be helped in this way so as to increase their morale and given a little more security than they have ever had.

Mr. CANNON: And to keep them fishing as well!

Hon. Mr. GREGG: That is right, to keep them fishing as well. And before we leave this item I hope Mr. McGregor will explain to you—so that we will

not be sailing under false pretences—the general limitations that must be imposed, and the length of contributions and of the benefits arising out of them. Perhaps Mr. McGregor will give you an outline of what we feel it will mean so that the fishermen outside will not get the impression that they are going to get months and months of benefits when it cannot possibly happen.

Mr. MCGREGOR: Mr. Chairman, we have in mind seasonal benefits based from the first of January until April, roughly 15; and the entitlement during that period would be based on the number of contributions that the fisherman has had since the end of the previous March, and to give one week's benefit for every two weeks of contribution.

Hon. Mr. GREGG: Thank you very much.

The CHAIRMAN: Does clause 1 carry?

Clause agreed to.

Clause 1, subclause 2, paragraphs (a), (b) and (c) agreed to.

Mrs. FAIRCLOUGH: I presume that subclause 2 (c) gives us the operation that might be required?

Hon. Mr. GREGG: In case anything has been overlooked.

The CHAIRMAN: Clause 2?

Mrs. FAIRCLOUGH: I have a suggestion to make. A few of us had the privilege of seeing the charts which the minister prepared and I think we could shorten this discussion and the general explanation if before discussing this clause at all we were to see the charts and then to proceed with the discussion after.

The CHAIRMAN: Is that agreeable?

Hon. Mr. GREGG: I think that is a good suggestion. The chief commissioner says that Mr. McGregor will conduct the discussion. Even though it may not be possible to get the printed report of this meeting until after the session is over, I would ask Mr. McGregor to give it in fairly complete form because we have members of this committee who have not been present at former discussions. He will be able to provide the secretary of the committee with the diagrams and the charts which will be shown on the screen; so I hope it will form a fairly complete record for anybody who may want to study it later.

Mr. PHILPOTT: May I move at this stage that 750 copies in English and 200 copies in French be printed of our proceedings in respect to Bill 449, "An Act to amend the Unemployment Insurance Act", pursuant to the authority conferred upon us by the order of reference of Tuesday, August 7, 1956?

Mr. HAHN: I second the motion.

The CHAIRMAN: You have all heard the motion. Is it agreeable?

Agreed.

Mr. MCGREGOR: Mr. Chairman, under the present act the claimant, in order to qualify for benefit must have 30 weekly contributions in the last 104 weeks; 8 of them must be in the last 52 weeks; but if he makes a second claim within 104 weeks of the first claim then he must have 30 contributions excluding those that were used to make the first benefits available. In other words, in the second benefit period any contributions that were used in the earlier benefits cannot be used again.

The effect is that when a claimant works roughly from the months of April or May to, let us say, November each year, he cannot qualify under the section as it stands at the moment because he must have 30 contributions every year. The result is that after studying the matter we have come to the

conclusion that 24 contributions in place of 30 for the year would meet the requirements and enable a number of those previously unable to qualify, to do so.

We think we can demonstrate this by charts which will show the effect under the old act, the present act, and the proposed amendment.

These are actual cases. Chart I shows a new claimant under the old act (prior to the first of October 1955). Starting at April 1st, this man was unemployed for five weeks. He had not entered the insured labour field so he had no benefits and was simply unemployed.

Then he worked for 25 weeks and became unemployed for eight weeks. Now, he could not qualify for any benefit because he had to have 30 weeks in the last two years; and he goes along until the first of January when he qualifies for what is now known as seasonal benefits. He is entitled to one week's benefits for every five weeks' contributions since the previous March 31. Therefore, he gets five weeks benefit in that period.

Then he is unemployed for 11 weeks, eight in that first group and three in the next row. He has eaten up his entitlement so there is nothing we can do for him further. He goes back to work and he now works for 27 weeks and again becomes unemployed and qualifies for 10 weeks regular benefits. That is on the basis of 52 contributions, one-fifth of which gives you 10 weeks. At the end of that period, because he had a benefit period end since the previous March 31 he immediately qualifies for seasonal benefits for a further ten weeks. That does not take care of him for the whole time that he is off, however, because there are three weeks on the third line that he is still unemployed and has no further benefit. He goes back to work for twenty-six weeks. On becoming unemployed this time he qualifies for thirteen weeks regular benefit plus eleven weeks' seasonal benefit.

Now, the only reason he is cut down to eleven weeks' seasonal benefit is that April 15 intervenes when the seasonal benefit is automatically cut off. He goes back to work again and works for twenty-five weeks, at the end of which he qualifies for thirteen weeks' benefit—regular benefit, that is, and a further twelve weeks' seasonal benefit. That is under the act as it was prior to October 1, 1955.

*Chart 1(a)*—Under the act as it is now, this man is unemployed the same five weeks, of course, at the commencement. Then he works for twenty-five weeks and then again he has no entitlement yet because he has not got the thirty weeks. There are eight weeks he is unemployed without benefit, but he immediately qualifies as from the first of January for seasonal benefit for sixteen weeks. He goes back to work again for twenty-seven weeks, and again there is the eight week gap, after which he is again entitled to seasonal benefit. In other words, under the act as it stands at the moment, this person, with this pattern of employment and unemployment can qualify for seasonal benefit only each year. Now it is noted at the bottom of this chart that this man's total contributions over a four-year period were one hundred and three weeks, costing him at the highest rate of contribution—\$61.80—he drew benefit for sixty-four weeks for a total of \$1,920. I should say that under the old act, he paid contributions for one hundred and three weeks at 54 cents, totalling \$55.62 and got out seventy-four weeks totalling \$1,776.

Then we come to the proposed amendment in Chart 1(b). Again we have five weeks that the man does no work.

Hon. Mr. GREGG: This is the present bill?

Mr. MCGREGOR: This is the present bill. He has twenty-five weeks of employment followed by eight weeks of unemployment with no benefit, again followed by thirteen weeks of seasonal benefit—that is one week's seasonal benefit for every two contributions. Now, you will note there are three weeks

where we are still unable to take care of him before his period of employment starts, when he works again for twenty-seven weeks and is now entitled to fourteen weeks' regular benefit on termination of that employment, plus ten weeks of seasonal benefit. Then he works for a further twenty-six weeks and becomes entitled to fourteen weeks' regular benefit plus eleven weeks of seasonal benefit. He then works for a further twenty-five weeks and becomes entitled to thirteen weeks' regular benefit followed by thirteen weeks of seasonal benefit. Now, in his case the total contributions are \$61.80, and he will draw eighty-eight weeks in place of the sixty-four weeks, as it stands now, and seventy-four as under the act prior to October 1, 1955.

Mr. FRASER (*St. John's East*): Therefore his waiting weeks will be less?

Mr. MCGREGOR: The waiting weeks will run the same.

Mr. FRASER (*St. John's East*): I thought they were seven previous?

Mr. MCGREGOR: I beg your pardon, there was a change in the ruling during the last winter—at least a change in the regulations whereby when seasonal benefit comes right up against regular benefit, the waiting period is waived. That pertains under the act as it is now.

Mr. FRASER (*St. John's East*): But not under the original act?

Mr. MCGREGOR: No, sir.

Mr. HAHN: Mr. McGregor, does it make a difference in the date on which the period of work begins?

Mr. MCGREGOR: It would make some difference, Mr. Chairman, inasmuch as this is a man whose pattern is working in the summer time, and we have, of course, the unemployment during the winter, and he will be qualified for seasonal benefit. But inasmuch as he requires only twenty-four contributions as against the present thirty, even if he is unemployed in the off-season rather than the on-season he will get benefit easier than he does now.

Mr. HAHN: It would actually only make a difference then in the initial stages, and he will carry on and go back a year to pick up the benefits?

Mr. MCGREGOR: I do not quite follow you.

Mr. HAHN: Say the period of employment there is probably from the end of March, on.

Mr. MCGREGOR: That period of employment is from May 1.

Mr. HAHN: If that is the period of employment in the first year, and if he had gone about the end of February instead?

Mr. MCGREGOR: Yes.

Mr. HAHN: Then he would have picked it up in the second year? That is the period of employment starts about the same time, about the end of February, he would pick up during the year previous?

Mr. MCGREGOR: At least the year back, yes. He would have picked up that, that is right.

Hon. Mr. GREGG: Mr. Chairman, could Mr. McGregor outline why we had to have a supplementary amendment as to the one for two instead of the two for three?

Mr. MCGREGOR: The other amendment with regard to the seasonal benefit at the present time is as follows: A claimant, who qualifies for seasonal benefit on the basis of having at least fifteen weeks' contributions since the end of the previous March, gets two weeks' benefits for every three weeks' contributions, that was a minimum of ten weeks in all cases. Now, under the new duration formula he will get one for every two. Unless we did that we would find regular claimants, who also get one for every two, getting less



than the seasonal benefit claimant, and that was what necessitated the change in the formula from 2 for 3 to 1 for 2. There would be anomalies which would be created unless this were done.

Mr. ROBICHAUD: So, in other words, a man who was getting seasonal benefit before, say last winter, on a percentage of 2 for 3 would only get it on a percentage of 1 for 2 now?

Mr. MCGREGOR: That is right, with a minimum of ten, though. We gave a floor for that so that the minimum is still preserved.

I have another set of charts here, if you wish.

Hon. Mr. GREGG: You have shown four years for each of the cases, and they are very regular each year. The working pattern is about the same. Have you a more broken working pattern?

Mr. MCGREGOR: Chart No. 2: Here is a fellow that has a somewhat patchy pattern of employment. This fellow again starts with five weeks during which he did not work. Then he works for fifteen weeks was unemployed for ten, and had no entitlement at that time. Then he works for a further twelve weeks and he qualifies for seasonal benefit for a maximum of five weeks. He was unemployed for a further seven weeks, and, of course, having used his entitlement, we can take care of him no longer. He then went back to work for eighteen weeks, and on the basis of his forty-five weekly contributions—that is, fifteen plus twelve plus eighteen—he is entitled to nine weeks' regular benefit. That is exhausted. He is still unemployed for six weeks when he goes back and works a further eight and becomes entitled to eight weeks' benefit. He then goes back for sixteen weeks and again qualifies for eight weeks' benefit followed by a gap of five after using everything up. He has nothing more coming to him. Then he goes to work for ten more weeks and qualifies for eight weeks' regular benefit and two weeks' seasonal. There are still two weeks left before he gets back to work because again he has used up all his entitlement. He goes to work for eighteen weeks and becomes unemployed again, and is entitled to six weeks' regular benefit. He goes back to work again and works eight weeks and picks up a further nine weeks' benefit, and qualifies right on top of that for a further seven weeks' seasonal. That is under the old act. He gets a total of sixty-two weeks, or for one hundred and five contributions, amounting to \$56.70, he gets \$1,488.

Chart No. 2 (a) shows the same man under the act as it stands now. He works for fifteen weeks, is unemployed ten, works a further twelve, and as he has not thirty contributions (he has only got twenty-seven) he becomes entitled to seasonal benefit for twelve weeks. He works again for eighteen weeks, but now he is qualified for regular benefit on the basis of eighteen plus twelve which is thirty and gets fifteen weeks' regular benefit. He goes back to work for eight weeks and then only qualifies, for nine weeks of seasonal benefit. He then works sixteen weeks and he has no entitlement at the end of that period. He is unemployed for twelve weeks. Then he works for ten and is now entitled to 15 weeks' regular benefit. He works for a further 18. He has no entitlement again; he has used it all up. He is unemployed for eight and he goes back to work for eight, and then he only qualifies for seasonal benefit for 15 weeks. In this case he got 66 weeks, a total of \$1,980 for a contributions for 105 weeks totalling \$63.

Mr. HAHN: Just before you leave that, in that third year, he has a year with 10 weeks and the additional five are picked up at the beginning of the following year?

Mr. MCGREGOR: That is 15.

Mr. HAHN: Yes. They do not carry along then on the supplementary under the present act?

Mr. MCGREGOR: The supplementary benefit period was ended in that particular case. It ended on the 15th of April, you see. He cannot get the supplementary during that period because it is ended on April 15.

Mr. HAHN: What I am trying to say is it is not picked up, it is not held as supplementary benefits, this five additional carry-over. They cannot do that?

Mr. MCGREGOR: No, the 15th of April cuts off the seasonal benefit willy-nilly.

Hon. Mr. GREGG: Those are actual cases?

Mr. MCGREGOR: These are actual cases. Now, on Chart 2(b) here is this same man on the basis of the 24-week proposal. He works for 15—the same pattern in the first year—the same pattern all the way through as far as the working pattern is concerned. He qualifies only for seasonal benefit the first year having only 27 contributions in place of the 30 required, but he gets 12 weeks maximum seasonal benefit. He goes back to work for 18 weeks and he is entitled to 15 weeks' regular benefit on becoming unemployed. He goes back to work for eight weeks and at the end of that time he becomes entitled to regular benefit for 13 weeks of which he draws 9 weeks. He goes to work for 16 weeks and takes up four weeks remaining from the previous claim. He immediately requalifies for a further 12 weeks. He gets back to work for 10 weeks and qualifies again for 13 weeks' regular benefit of which he draws 11. Then he worked for a further 18 weeks and he had a further seven weeks regular benefit. He worked eight and got nine weeks remaining of the old period and immediately requalified for 13 weeks. He gets 92 weeks benefits in all for 105 contributions.

Mr. ROBICHAUD: Take the case of an employee last winter who draws seasonal benefits only. Say he had only 24 weeks last summer and he drew unemployment benefit for a period up to April 15. This year, from May 1 to November, say, he gets in 24 weeks again. What would he be entitled to?

Mr. MCGREGOR: It would depend of course exactly on the pattern that his work history shows going back the 52 weeks, but at least he is entitled to regular benefit, which he was not entitled to last year, followed by seasonal benefit at least equal to the time he got regular benefit.

Mr. HAHN: That would be a minimum of 10.

Mr. MCGREGOR: Yes, a minimum of 10.

Mrs. FAIRCLOUGH: Under this scheme the fact that he uses a period of unemployment under a previous claim does not count provided it is within the period of 52 weeks?

Mr. MCGREGOR: That is right.

Mrs. FAIRCLOUGH: He can use it again and again provided it is within the 52 weeks?

Mr. MCGREGOR: Yes, broken periods of employment he can pick up within the 52 weeks.

Hon. Mr. GREGG: I am sure all members of the committee would agree with me in expressing our thanks to the commission for their effort to "tailor" this proposal to the Canadian need. I must say I was surprised when I looked at the bottom figure and saw what a modest investment brought to us in our economy. I am sure the act has performed a useful purpose, and it has performed a useful purpose because in many respects it has been made to fit the needs. And we bring forth this amendment now. It may be necessary for the commission to bring forth another at some future date but at least we would like to try this one out.

Clauses 2 to 5 inclusive agreed to.

Preamble agreed to.

Title of bill agreed to.

Bill to be reported.

Hon. Mr. GREGG: Mr. Chairman, in July the commission at my request submitted this to the Unemployment Insurance Advisory Committee, composed, as I have stated on another occasion, of representatives of management and of unions and they concurred in the suggestion. The memorandum which the Commission presented to the Unemployment Insurance Advisory Committee was quite a comprehensive one setting forth the reasons why. It ran to nine or ten pages. They had some left over—about 30 copies—and if members of this committee would like to have a copy to add to their file on this matter it will be available.

Mrs. FAIRCLOUGH: I have a suggestion, Mr. Chairman. I do not know whether other members of the committee will agree with me, but it is not going to be possible for us to have the proceedings of this meeting available very quickly.

Hon. Mr. GREGG: Not before we leave, I do not think.

Mrs. FAIRCLOUGH: How long will it take the minister to read this statement into the record in the house or to ask permission to have it appended to Hansard?

Hon. Mr. GREGG: If that course were taken, I have a boiled down version which I had ready for second reading yesterday and if it was the wish of this committee, when we come into committee of the whole, at the opening I would read that statement. It would not take longer than nine minutes or so.

Mrs. FAIRCLOUGH: I suggest we have these copies which are available, but for the purpose of the permanent record—

Hon. Mr. GREGG: I would give my abstract. I wonder if at the same time—I hope to be able to convey to the leader of the house a rough estimate of what time we think would be required in committee of the whole to deal with this. I suppose it could only be a guess.

The CHAIRMAN: Has anyone any suggestions?

Mrs. FAIRCLOUGH: I won't guess on that.

An Hon. MEMBER: Five minutes.

Mrs. FAIRCLOUGH: I do not think any of us could speak for all members of our party. I do not anticipate it will take too long but I do not want to make any commitment.

Mr. GILLIS: Would it be possible to put those chart examples on the record?

Hon. Mr. GREGG: We plan to do so. Copies of the charts are available.

Mr. GILLIS: Before you forget it—the advisory committee's memorandum—you were going to supply us—

Hon. Mr. GREGG: That is coming now. That is not their memorandum. It is the commission's memorandum to the advisory committee.

—The committee adjourned.





