

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session - Tenth Legislature

Monday, February 23, 1948.

The House met at three o'clock.

LASSERRE COMMUNITY CO-OPERATIVE

Mr. Marion (Ile a la Crosse): — I move that an Order of the Assembly do issue for a Return showing; copy of the second annual report of the Lasserre Community Co-operative Association.

Hon. L.F. McIntosh (Minister of Co-operation): — Under the Motion (for Return) by the hon. member for the north-western part of the Province, I might say we take the stand that this is a privileged document. Under 42(a) of The Co-operative Associations Act, it reads as follows: —

- "(1) Upon payment of the prescribed fee, any person may inspect in the office of the registrar the memorandum of association and supplemental bylaws of any Association incorporated under this Act.
- (2) A certified copy of the memorandum of association and supplemental bylaws of any association incorporated under this Act may be furnished at cost.
- (3) Except with the consent of the registrar, no other document or part thereof relating to any association incorporated under this Act shall be available for search."

Mr. Speaker, the Lasserre Co-operative association, organized under the Co-operative Associations Act, makes its annual report to the Department of Co-operatives. We have never been in the habit, and I do not think it would be in the interests of these co-operative associations to table a privileged document in this Legislature; therefore I suggest that this is a privileged document, and do not wish to have it tabled. I might add, Mr. Speaker, that the Government have no financial interest whatever in the Lasserre Co-operative Association.

Mr. W.J. Patterson: — On a point of order, Mr. Speaker: A year ago the Government printed and distributed, I think as part of their Adult Education program, the annual report of this concern. I do not know under what authority it is a privileged document. We were only interested in finding out what success had been attained by this particular organization in following up the projects they had established or proposed to establish, as reported in their first annual report which, as I say, was distributed at public expense.

Mr. Speaker: — Do I understand that you are raising a point of order on this — that it is not admissible? The point of order is that this type is not admissible. I shall have to defer my ruling on that until I look into the matter.

Premier: — Mr. Speaker: It seems to me that under the rules of the House, if a Minister takes the position that a document is privileged, that simply drops the discussion on the Motion, unless there can be evidence brought forth to show that it is not a privileged document. The position taken by the Minister is the same as that generally taken by Governments — that reports of organizations and companies or corporations which must file annual reports with the Government, are filing information which the Government must have to maintain proper supervision; but that if the Government has no financial investment, the Government must look upon those as privileged documents; just as no member can ask to have the income tax return or the return of any corporation filed, or the report of an insurance company tabled in the House; so these documents, which are simply annual reports of co-operative associations, are privileged documents.

Mr. G.H. Danielson: — May I ask the Minister a question? Does this ruling apply to the co-operative organizations which have been started by the Government in regard to Returned Men, veterans' land, and all that sort of thing? They are called co-operative — I do not think they are — but they are called that. Does this ruling also apply to that?

Hon. Mr. McIntosh: — I would say that where they are organized under The Co-operative Associations Act, and where the government, or the people of the province, through the government, have no investment, we consider it a privileged document.

Mr. A.T. Procter: — On the point of order: Where the Government itself undertakes to publish a report, they are stopped from continuing to give information in connection with it. If the Government never published that report, then of course the point of order might be well taken; but if the Government is at liberty to publish the report and does publish the report, in spite of the conditions in the Act, then by that token they have waived the privilege, and the co-operative society itself has waived the privilege by allowing the Government to do so.

Mr. Speaker: — I take it that the hon. Minister has raised the point of order that this is a privileged document, which the Government do not feel responsible to give to the House, and I think that point is well taken. I rule the motion out of order.

UNEMPLOYMENT INSURANCE

Motion requesting Amendment of Federal Act

Mr. D.H.R. Heming: — Mr. Speaker: The Resolution before us is that representations be made to the Federal Government through the proper channels requesting amendment of the Unemployment Insurance Act to make the Act applicable to all Insured Persons, to provide that

- (a) the benefits be increased to \$25.00 per week for married persons, and to \$35.00 per week for single persons;
- (b) benefits be payable for holidays;
- (c) benefits become payable after six days of unemployment, and be retroactive to the day unemployment first occurs;
- (d) the period of Time of Disqualification for dismissal for cause be reduced to two weeks;
- (e) unemployed persons shall not be required to work for less than regularly established rates of pay;
- (f) senior employees in industry covered by the Act be permitted to participate, and that, if no benefits have been paid, such contributors throughout a period of years be accorded some type of credits.

In order that the members may understand the Resolution, it might be advisable to briefly outline the Unemployment Insurance Act of the Dominion. The Act was first inaugurated in 1940, at which time provisions were made for the creation of a Commission and also an Advisory Committee, and subsequently to an Employment Advisory Committee — a National Employment Committee. These Committees act currently, and under those is a Director permanently stationed at Ottawa, who has under his supervision five Regions, each of which has a Superintendent. Within the area of the Dominion there are approximately 250 offices, manned by staffs of two or three, in the sparsely settled areas, to as many as 300 or more in the heavily industrialized cities of the Dominion. The administration in the offices, under the direction of a Manager, and insurance offices, is such that applicants for benefits under the Act make application to these offices, and if these offices refuse to give them, by reason of non-compliance with the provisions of the Act, an appeal can be made to a Board of Referees, and on permission, to a further umpire whose decision is final.

The Act, however, does not insure all the workers of the Dominion. At the present time, it insures 3,100,000 workers. The total manpower of Canada is estimated currently to be 4,250,000 persons. Others, such as trappers, hunters, domestic help, farm help, peace forces, armed forces, are not yet under the Act; neither is the Act applicable to those who, usually, are seasonably employed, for a few months only out of each year. Unemployment is actually an economic disease which sometimes reaches epidemic proportions — sometimes to pandemic proportions.

Tariffs involving a national character, may close down a whole industry, thereby rendering a large number of men unemployed. Acts of God, such as drought, or frost, may make agricultural products become very, very small, thus influencing the employment of men in the secondary industries. Speaking individually, a man may become unemployed through resigning or by being dismissed; or he may go on strike or be locked out by his employer; or he may reach an infirm age when he can no longer perform his duties.

The Act itself specifies that a certain amount of money shall be paid weekly by each man who is employed. Currently, in Class (1) those men who earn from \$5.40 to \$7.49 per week have to pay 12 cents per week, the employer pays 21 cents and the Government a total of 20 per cent of both contributions.

There are other classes in between that and the last class, No. 7, which is for employees earning over \$26.00 a week, who contribute 36 cents a week to the fund, their employer 27 cents a week, and the Government, of course, 20 per cent of both sums.

The amount of money which has been contributed naturally has mounted considerably these last few years. It was not until 1942, however, that the Act became really operative, in which year the Commission paid out \$27,000 or so by way of benefits, and at the end of that year the fund stood at \$43,900,000. Since that time, however, the fund has grown annually, until at the end of October, 1947, there had been contributed \$50,000,000 into the fund, and \$15,000,000 under orders of the Commission. The fund currently stands at \$430,000,000 to the credit of the Commission.

Mr. Procter: — Just before he leaves that, may I ask the hon. member how that Resolution affects the scheme of the Unemployment Insurance Act? To what extent will it affect it?

Mr. Heming: — The payment of monies was adjusted on the period of time in 1940 when the average wage in Canada was \$25.25 a week. Now the average wage is \$37.37, and this wishes to raise the benefit to a more proportionate state . . .

Mr. Procter: — The hon. gentleman does not get my question. In this Resolution you are asking that the benefits be increased and extended. As I understand the old scheme, it was worked out, the employer contributing, the employee contributing, and the Government contributing, and it was more or less on an actuarial basis at that time. How will this affect that whole fund? Do you know?

Mr. Heming: — Mr. Speaker, I will explain that a little later on, if the hon. member will permit. The benefit formula that is involved is that the applicant for benefits shall have worked 180 days in the two years, and 60 days in the first year immediately prior to application for benefits. The benefits are payable for a length of time, one-fifth of the time in which the applicant has made contributions. That is to say, if a man has contributed under the Act

for five years, he can draw, according to the Act, for one year; the amount which can be withdrawn depending upon the Class; i.e., the \$5.40 to \$5.70 a week man receives (if he is single) 34 times his weekly contribution, and if he is married, 40 times his weekly contribution. Thus, Class (1) applicants would receive in the way of benefits — a single man \$4.08, and a married man \$4.80 a week in benefits. In Class (7) the man who earns over \$26.00 a week would receive proportionately to the extent of \$12.24 for a single man and \$14.40 at the maximum, for a married man.

Conditions prior to receiving these benefits are at times somewhat drastic. The forms have to be filled out adequately and completely; you have to be over sixteen years of age; you have to be unemployed; you have to have made application for employment; you have not to be dismissed; you have not to have resigned your employment; you must be available for any work which is offered; you cannot be the victim of a strike; you cannot be the inmate of an institution; and various other specifications which offer somewhat of a barrier towards men receiving benefits. At the present time, in the Prairie Division, we have 31,000 men unemployed, with 5,000 jobs available, and 22,000 men are now drawing insurance benefits, indicating there are 10,000 men who possibly might be able to secure the benefits, but cannot, by reason of the regulations which surround the distribution of monies from this fund.

The Resolution before us specifically asks certain things. In the first place, in 1940, when the average wage of Canada was \$25.25 per week, the Act then gave a maximum of \$14.40 to those who were unemployed. Since that time, however, wages have increased in Canada, until the average wage is now \$37.37 a week throughout the Dominion. The Act, however, still pays the same amount as it did in 1940, and this amount is inadequate. The reason wages have advanced can possibly be explained by the fact that at the beginning of the war, the Federal Government inaugurated a type of guaranteed or warranted increase in rates of pay, by having a cost of living index executed, whereby if this index went up one point, twenty-five cents additional each week would be paid to workers coming under the general scheme. Since that time the cost of living index has risen to 148; in Saskatoon, they say 150. This means — 48 times 250 or \$12.00, and \$12.00 added to the \$25.25 gives \$37.25 or approximately the average wage in Canada today. \$12.00 added to the \$14.40 maximum under the Unemployment Insurance Act would be a little more than the \$25.00 asked for under the Resolution.

Now we come to the question of holidays with pay. It is customary, if a man works for most employers in this Dominion, on the statutory holidays proclaimed by the Federal Government, he is given a day off, with pay. These statutory holidays are usually days which have been established by tradition, by custom or by habit, and workers have been accustomed to receiving these days for generations. If a man is working and secures pay for this day as a holiday, if he is paying monies into a fund to guarantee him insurance for the days which he loses, then surely the fund should pay him for that holiday the same as if he were working.

February 23, 1948

There is one phase here in connection with the waiting time, that is not quite right. At the present time, you have to wait, when you make application (which usually takes from two to three days) for nine days before you are eligible; then you wait another six days. If a holiday occurs during that period, it counts as an additional day. If you get a day's work, you get another additional day taken off; so that it is really two and a half weeks and sometimes longer, (and I know of instances where it has been six weeks), before you can receive any benefits whatever under the Act, from the time you originally make application. This is a serious hardship.

In the City of Moose Jaw, with a population of 22,500, we have 4,295 domiciles where the average wage is \$1,790 per year — \$34.50 per week. If this group is divided again, it means that one-third are earning over \$200 a month, and two-thirds earning less than \$200 a month, or less than \$1,790 a year. This means that the average pay of a man, now, in the City of Moose Jaw is around \$30.00 per week. A man with a wife and two children, with an average rental (in Moose Jaw) of \$27.00, and an average tax rate of \$98.00 per year, has a hard time getting by. He cannot save any money, and if something happens whereby he loses his employment and becomes eligible for insurance, then he is immediately in need. The result is that in the City of Moose Jaw we have currently twenty men who are either receiving relief in addition to Unemployment Insurance or who are receiving relief, waiting for Unemployment Insurance. It does not seem quite right that the Government of Saskatchewan and the municipalities should have to pay this money, when the men have already paid into a fund at Ottawa for this type of protection. It is a type of subsidy, Mr. Speaker, that should not be persisted in.

I have a clipping here from the Regina Leader-Post of February 17, 1948 — a report from the Regina Welfare Bureau, Marjorie Bernard, Executive Director, in which it states:

"It is also stated that other unemployed persons met difficulty while waiting for their cases to be adjusted by the Insurance Commission. The rising cost of living, economic uncertainty, and emotional disturbances causing difficulty within the home, was reflected in the number of problems of family relationship handled by the Bureau. In January these cases numbered 187 in the City of Regina."

In connection with the dismissal of men: Under the Act, if a man is dismissed from his employment he does not qualify. This, Mr. Speaker, should not be so hard and fast. It often happens in organized industry that a man is dismissed for some trivial offence; and if he is, and if his fellow union members are satisfied that this man has been unwarrantedly dismissed and they take his case up with a view to reinstatement, then I think the Employment Commission should recognize that the man has been unjustifiably dismissed and should not consider him dismissed under the Act, and permit him to participate far earlier than currently they do, that is, after a waiting period of six weeks. Even six weeks is too long a period of time for a man who is fired on account of some misdemeanour or misconduct, and possibly has to go on relief for five and a half weeks of that time.

Another phase by way of Directive Employment — the Insurance Officer of an office currently can tell you to take employment, and you have to take it or you cannot get any insurance. It so happens that an instance came to my notice recently. A man who had been employed by a reputable contractor at 75 cents an hour, was laid off by the contractor along with two or three others, due to lack of business. Another contractor, who had managed to take away a contract from this reputable contractor, sent in a request to the Unemployment Commission for labour at 50 cents an hour; so that the men previously employed at 75 cents an hour with a reputable contractor was forced to go to work at 50 cents an hour for a disreputable contractor, which is bad. The directive instructions from these offices should be such that men who are directed to employment should receive the going wage in the area concerned.

In connection with the senior members of industry — this is particularly a question of the senior members of 831,000 of organized labour in Canada. It so happens that the primary plank of organized labour is that the right to work shall be by seniority — that the first man hired shall be the last man laid off; so that at the present time, men who have by service gradually worked themselves into permanent jobs will never be laid off. They may be dismissed, they may resign, they may die; but they will never be laid off because the unions concerned have that one principle involved, whereby the first man hired shall be the last man laid off. Not even by the wildest imagination could it be seen that the industry of Canada generally would go any more than half-way below what it is now. In my experience in the City of Moose Jaw, we could not conceive of conditions whereby we would have any less than half of our present staff, in which event half the men belonging to unions are seniority men who are guaranteed employment as long as they work — that is, insofar as being laid off is concerned. But, if these men now currently contributing to this fund, continue to contribute for a period of years without any hope of ever securing any benefits, it seems as if they are contributing money of a direct taxation nature whereby there should be something in lieu of these contributions. A man who contributes for twenty or thirty years to this fund by reason of his seniority should have some recognition of the monies he has paid into the fund at the end of that time, either by way of pension benefits or something of that type where he has accrued some credit under the Act.

I would move, Mr. Speaker, seconded by Mr. Gibbs, the Resolution which I have read, but I would stress that under (a) of the Resolution, the intent is that it shall be a maximum payment. The Resolution says "the benefits" and I would request that the House consider it as "the maximum benefits".

Mr. H. Gibbs (Swift Current): — The hon. member for Moose Jaw has thoroughly outlined the nature of the Resolution before the House, and I concur in the statements he has made; therefore I do not think it is necessary for me to go over the ground again, and I shall be brief.

I think the hon. member did a very good job in outlining the nature of this Resolution, and I believe there should be some improvements made to the Unemployment Insurance as set up at the present time. The hon. member for Moose Jaw has mentioned different things that have taken place which demonstrate the inadequacies of the old set-up. I would like to deal with a point which he did not bring before the House, and it is in connection with railroaders. They are pensioned off, if they run their normal term, at age 65, but there have been quite a number laid off during the past few years who did not attain that age — possibly two, three or four years before the maturing age, due to sickness.

The officials of the various companies, if they see a person is failing (although the person himself may think he is all right and may wish to stay on the job until the retiring age) — they kindly ask him to go and see a doctor. If the medical man says he cannot go to work, he cannot go to work. In many a case, he may not be really ill, under the meaning of the word — physically ill — but nevertheless he cannot carry on his occupation according to the doctor. Those men have been paying into this Unemployment Insurance fund for years, but when they make application at the Insurance Office, they find they are ineligible for benefits because, Mr. Speaker, it is not a sick benefit society; but it does cause a hardship on those men, and I should think with the vast amount of money that this Unemployment Insurance fund has created — I believe at the present time it is in the neighbourhood of \$500,000,000 — surely something could be done for men such as those I have just mentioned.

The hon. member for Moose Jaw did a good job of outlining and explaining the different parts that we would like to see amended and brought into force. There is no doubt about it, with all the money they have in this fund, which is growing by leaps and bounds, I think that it could be made more adequate for the people who pay into it.

I shall support the Motion.

Mr. A.T. Stone (Saskatoon): — The passage of the Unemployment Insurance Act was held by organized labour as an important step forward in the construction of a sound social security program; but like many other social legislations of this nature, they more or less lay dormant unless there is very strong pressure from those people who are affected by such legislation; and the two congresses, the Trades and Labour Congress and the Canadian Congress of Labour have, at all their conventions, by resolutions, and by their presentations before the government, asked that this Act be brought up to date and that radical

changes be made so as to bring it into line with the present day cost of living.

It is interesting to note that in 1946, the Unemployment Insurance Advisory Committee believed that the following should be put into effect:

- (a) Benefit rates for claimants with dependants be increased;
- (b) That a new class rate be established for persons earning \$34.00 or more per week, with contributions from both employers and employees set at 42 cents weekly;
- (c) That the weekly contributions be adjusted so that employer contributions would fulfill the intention of equalling employee contributions."

It was estimated that employers' contributions would have, by April 1, 1946, — would have fallen behind by some \$29,000,000 by comparison with employees' contributions. In other words, the fund should have been greater by that amount. This came about by the fact that since 1940, wages have increased and the number of workers coming under Class (7) — (and Class(7) is all those wage earners earning \$26.00 or more a week) — has increased, to this period in 1946 of which I speak, to 63 per cent; 91 per cent of the workers were either in Class (5), (6), or (7).

If we study those classes, we find in Class (5) those earning from \$15.00 to \$19.99 contribute 24 cents a week and the employers 27 cents a week; in Class (6) those earning from \$20.00 and \$25.99 contribute 30 cents weekly and the employers 27 cents; in Class (7) those earning \$26.00 or more weekly contribute 36 cents weekly and the employers 27 cents; so you will see, Mr. Speaker, that the vast amount of workers are now getting into those classes where the contributions of the employees greatly exceed those of the employers.

It was the opinion of the Advisory Committee of the Insurance Commission that something should be done to equalize the payment between the employees and the employers. I think one reason why there should be better benefits, especially to those with dependants — I might say that in most cases it is an infraction of the Minimum Wage law in most provinces, and it is rather inconceivable that the Unemployment Insurance Commission, itself an agency of government, should lend itself to breaches of Legislation, particularly where these would serve to undermine wage standards. That should be taken into consideration. To our minds, there has been not a great enough margin between those single benefits and those of the married benefits. As the Mover has told you, the ;maximum single benefit is \$12.24 and the maximum married benefit \$14.40, leaving a margin of only about \$2.20 a week between single and married persons. We feel that should be greatly increased, especially where there are dependants.

Those of us who have something to do with the cost of living today think it is rather ridiculous to expect a married worker, with dependants, to exist on \$14.40 per week, especially when he has rent, fuel and the other necessities of life to carry on with., It usually means — and especially with the class of workers who are receiving benefits today, usually seasonal workers who have no opportunity of building up reserves — it means that they either got into debt to local merchants, or municipalities have to in some way, subsidize their wages.

I believe one of the proposals of the Dominion-Provincial Agreement was that the Dominion would take care of employable unemployed. I think they should begin. I am very sincere about that, and I also feel something should be done to make these benefits more adjustable to present-day costs of living. I also am afraid that many of the municipalities are going to find they are going to have to spend a considerable amount of money on these people who should be protected by this fund.

Now, these recommendations to the Advisory Committee were examined by the Dominion Actuary who stated in his report: "It appears reasonable that effect should be given to these recommendations". He also said, further on: "It would appear that the waiting period should be reduced as soon as it may be safe to do so, and if practicable it would seem desirable to reduce it to six days." That what the motion is asking, Mr. Speaker.

There are several other amendments which could be made. It seems rather unfair to deny benefits to a worker who is given vacation pay after his employment ceases. After all, the employee has earned these vacation payments, and it does not seem fair that he should disburse these in order to maintain a living. Sometimes plants are shut down for vacation periods, and very often employees are not given any pay for that time during which the plant is shut down, yet they are denied unemployment benefits during the time that the plant is shut down.

Now, just a little about the benefit year. Oftentimes an unemployed worker becomes ill during his benefit year and is unable to obtain those unemployed benefits. We think it only fair that where his payments have stopped he should be allowed to continue that period after his benefit year ends.

There is not much more that I wish to say at this time, Mr. Speaker, but it does seem to us that the machinery that is set up at the present time is too slow. It has been so admitted by the Administration. Sometimes it takes hours to handle a claimant going through these offices. I do not think they have yet found a solution, but it does seem that if we have any amount of people claiming unemployed benefits, we will have to do something to speed this matter up; and I would urge this House to vote for this Motion and bring some kind of pressure on the Dominion Government to enact these necessary amendments as soon as possible.

I shall support the Motion.

Hon. C.C. Williams (Minister of Labour): — Mr. Speaker: In taking part in this debate on the Resolution brought in by the hon. member from Moose Jaw, (Mr. D.H.R. Heming), I do so with the knowledge that he is sincere in his desire to do everything possible for those wage earners who unfortunately have become unemployed; and he is to be commended for these efforts. I know the figures he has quoted here, this afternoon, have entailed much research, and I know, of course, that he is only too glad to do anything he can.

The present range for benefits is from \$4.20 to \$12.30 per week for persons without dependants, and from \$4.80 to \$14.40 per week for persons with one or more dependants. I do not think there is anyone in this House who would say that these amounts are anywhere near adequate, especially in view of the spiral upwards in the cost of living during the past four months.

I might, for a moment, mention our Minimum Wage Act that we have in the province of Saskatchewan, which is \$18.50 in the cities; \$16.00 per week in towns of 500 population or over. That means that a young girl may come into the City, start working, and she must receive at least \$18.50, or \$80.00 per month. We do not think that is out of line. Now, compare that with the amounts paid by the Unemployment Insurance Commission and you will see quite a contrast. I suggest to the Legislature that it is practically impossible to live on the scale that has been mentioned, and the best that can be said for it is that it keeps body and soul together, and that is about all.

Now, the out-of-work benefits suggested by the hon. members, namely \$15.00 a week for single persons, \$25.00 a week for married persons, are not unduly high. I know none of us would want to try to live or maintain our families on those amounts. The Act referred to is a Federal Act, and is administered federally. It came into effect on July 1, 1941, and at the present time, as you have been told, has in excess of over \$400,000,000 to its credit. Should there be a recession and we be faced with a great deal of unemployment, that \$400,000,000 would not last any too long. If I might take a moment to explain the set-up of the fund — it was done to considerable extent by the hon. member for Moose Jaw — the Federal Government contributes approximately one-fifth, 20 per cent, and the balance is divided approximately equally between the employer and the employee. That is what sets up the plan. Now, I know some people will be thinking immediately — the old cry comes up again, "Where is the money coming from?" — and I am going to suggest that if the Government assumed another fifth, which would make the employer, employees and the Federal Government pay an equal amount, this percentage would greatly swell that fund and would be enough to take care of the increases suggested by the Resolution under discussion. Slight increases also might be made as far as the employer and employee are concerned, at a later time. These are only suggestions on my part, looking ahead over a period of years.

We come now to the second part of the Resolution, namely, that benefits be paid for holidays. Obviously, this is only reasonable. An unemployed person and his family have to live.

There are only about eight days of the year — July 1, Good Friday, Thanksgiving, and so on, that are suggested in this part of the Resolution. The Act provides that a man might be considered as employed on any day which is recognized as a holiday in his particular type of occupation, or in the factory or place where he works. Christmas Day is not paid for, for instance. As you know, Saskatchewan is the only province which, by law, provides the employee with pay for these eight statutory holidays, and I believe a fair application of the Act would be that a worker be entitled to benefits for these holidays if, by law or custom, he would be entitled to be paid if he were employed. I think that is perfectly logical, Mr. Speaker.

Mr. Speaker: — Order! If the hon. Minister will read the motion, I do not see anything in regards to that. If he wishes to make an amendment . . .

Hon. Mr. Williams: — I would point out, Mr. Speaker: "(b) benefits be payable for holidays." Those are the holidays referred to. I was about to refer to annual holidays. As you know, in this province all employees are entitled to two weeks holidays for each year of service, or a proportionate amount. If an employee is laid off, he may have five days coming to him and be paid for those five days; but the Unemployment Office takes advantage of that fact and extends those five days, and will not pay him for the five days which he has already earned. In other words, our Holidays with Pay Act is subsidising the Unemployment Insurance Commission, and I do not think that is correct. Too, there is a waiting period of nine days. A man cannot get his benefits until he has been off work at least nine days, and we do not think it is right to add the five days just referred to, to that waiting period.

I have just referred to the waiting period, and the next clause in the Resolution refers to it again — "Benefits become payable after six days of unemployment and be retroactive to the day unemployment first occurs." At the present time, the unemployed person must absorb the first nine days, and no benefits at all are paid for this term, which works quite a hardship on most people, especially those on the lower income brackets. It would be quite a serious matter for the average employee to lose nine days pay and then start at his regular rate again; but to have absolutely no income for those nine days and then start in on the low scale of unemployment benefits is infinitely worse. This Government, you may recall, a few years ago reduced the waiting time in The Workmen's Compensation Act from seven days to three days, and that is something along the same line that we are suggesting here. We did that, and never received one complaint.

Further, under the Act as it now stands, an employee who has been dismissed for cause can be disqualified for any period not exceeding six weeks. This seems to me to be entirely too severe. Everyone makes mistakes, and with strict supervision and hard taskmasters, may be subject to dismissal almost any working day of the year. Is it some spirit of revenge, then, that says that the employee must be penalized by holding up these benefits up to a period of six weeks? Even in a case, a flagrant case of justified dismissal, why take it out on the man's family by refusing him any income, if he is unable to find other work? To me, Mr. Speaker, this whole thing is cockeyed,

if you will pardon an unparliamentary expression. Two weeks would be plenty long enough, and that is what the Resolution asks for.

Next, is the principle that unemployed persons should not lose the right to those benefits if they refuse to accept work at less than regular established rates of pay. The Act already provides for this, although we have heard that considerable pressure is frequently put on the worker to accept lower rates. Obviously, the forcing of unemployed persons to accept those lower rates would weaken the scale built up for the various tradesmen, and I know that labour would not go along with anything of that kind. There are bound to be complaints in the administering of an Act such as this, even if fairly handled. We have found from time to time, in the Workmen's Compensation Board, that some complaints are justifiable, some are not.

Coming to the last point, which refers to the senior employees in industry — there are two schools of thought in regard to the last clause, which recommends that senior employees of industry have their contributions returned in some way, if they have never received any benefits. Apparently the persons who planned this Act considered that all wage earners, with some exceptions (and I intend to read out those exceptions before I close) should contribute to this fund, regardless of whether there was any possibility of ever receiving benefits or not. Senior employees — and when I say that, I mean those who have been with their firms for years and years — are right at the top of the list and, while they do not mind making these payments, they do feel that, due to the fact they will never receive anything by it, they should be reimbursed in some way, even in later years, say upon retirement. It might be done perhaps, every ten-year period, or something of that kind, whereby if no claim had been made during that period the contributions would be returned. Admittedly, it is a debatable point, but I can see the man's viewpoint, who contributes year after year; and the views of his employer. Both of them know he will never collect anything from the fund, no matter how many years he pays in. We might even adopt the same principle as we have in The Workmen's Compensation Board, where assessments against industry are reduced from time to time if the accident rate is quite low — it is exactly the same thing. We have, right in our own Civil Service, the gratuities given employees upon leaving, if they have used very little of their sick leave — it is something along the same lines.

I think we all realize that to bring this into effect would take large sums of money from the fund from time to time, and I have already suggested in the early part of my remarks a way in which this fund could be built up over a period of time. The purpose of this Act is to take care of the worker during layoff periods between jobs. I suggest the provisions are — especially with the sharp increase in living costs — most inadequate. As a matter of information, I will read off some of the groups that do not come under this scheme:

Employment in Agriculture, Horticulture and Forestry; employment in Fishing; employment in Lumbering and Logging; employment in Hunting and Trapping; Stevedoring; Domestic Service; in a Hospital or a charitable Institution, where in the opinion of the Commission, such institution is not carried on for the purpose of gain; employment as a professional nurse; employment as a teacher, including teachers of music, dancing, etc. There are 42 of these, Mr. Speaker. I will not read them all, but they are there; and furthermore, for the information of the House, I will read an important change that took place just two months ago, when the ceiling was raised. Previously, anyone receiving more than \$2,400 was not covered by this Act and did not contribute. I have in my hand the Labour Gazette for the month of December, and on page 1813 it says this:

"Honourable Humphrey Mitchell, Minister of Labour, announced on December 9 that on and after January 1, 1948, every monthly rated employee whose annual remuneration does not exceed \$3,120 will be insured under the Unemployment Insurance Act. At the present time, those employees paid by the month whose annual remuneration is \$2,400 or less are insured under the Act."

That just means that the ceiling was raised from \$2,400 to \$3,120. It is rather hard to keep track of some of these changes, and I read that for the information of anyone who may be within sound of my voice.

Just before closing, I would like to say that the implementation of this Resolution by the Federal Government would greatly reduce the hardship borne by unemployed persons. There are 31,000 unemployed registered in the Prairie Regions, that is, the three provinces, Saskatchewan, Manitoba and Alberta — and 22,000 are drawing unemployment insurance in the same areas at the present time. I was rather surprised to have obtained those figures today. They are larger than I had thought they were. While we hope that large-scale unemployment will not come, we realize the possibility. In fact, when we think of 31,000 people in these three prairie provinces being unemployed right now, it gives us food for thought.

Mr. Speaker, I shall support the Motion.

Motion agreed to unanimously.

SECOND READINGS

Bill No. 45 — An Act to amend The Tuberculosis Sanatoria and Hospitals Act.

Premier Douglas: — At the present time, the Board of Directors of the Saskatchewan Anti-Tuberculosis League is made up of fifteen members, as follows: five appointed by the Lieutenant Governor in Council for two years; five appointed by the Saskatchewan Association of Rural Municipalities for one year; two appointed by the Union of Saskatchewan Urban Municipalities for one year; one appointed by the Lieutenant Governor in Council to represent the L.I.D.'s for one year; one is appointed by the College of Physicians and Surgeons of Saskatchewan for one year; and one is elected, at large, at the Annual Meeting of the League.

The purpose of the amendment has been to meet the request of the League, by which the Directors of the League would be allowed to appoint on the Board a representative of the Saskatchewan Clubs of the Associated Canadian Travellers, which have since 1934, turned over to the League the sum of \$389,000 for preventive work. Provision is also made for electing two members at the annual meeting, and one of these can be from the Associated Canadian Travellers.

I want to say, Mr. Speaker, In proposing this second reading, that I heartily concur, and I am sure most members will, in the proposal of the League that they should be allowed to add to their Board of Directors someone who is representing the Associated Canadian Travellers. Those who have listened to the Saturday night broadcasts that take place in various towns and villages all over the province have heard the amateur programs put on by the Associated Travellers, and know the excellent work they have done, not only from terms of publicity, but the excellent work they have done in raising very considerable sums of money, which has gone into doing preventive work. The result of that preventive work is that tuberculosis is on the decline in our province, and a good bit of that is due to the work which has been done by the Associated Travellers and by all the other groups who have contributed to the preventive campaign carried on by the Anti-Tuberculosis League. I feel that the Board of Directors are to be commended for suggesting that the Associated Travellers, who have so closely identified themselves with this campaign against tuberculosis, should have a representative on their Board of Directors.

I move Second Reading.

The Motion for Second Reading was agreed to.

Bill No. 46 — An Act to provide for Payment for Services Rendered to Certain Persons by Certain Hospitals and other Institutions.

Premier Douglas: — This is a consolidation of the provisions which were contained in the 1946 Act and in the 1947 Amendments. The provisions are not of a controversial character. They are simply for the better administration of

the Hospitalization Plan, and for its more efficient operation. I imagine that most of the amendments can better be discussed in Committee of the Whole. The main provision is to provide that where a person liable to pay the tax for the current year is someone other than the person who is getting the benefits, the person for whom the tax is paid will be entitled to the hospital service. It is a clarification of the legal position. Some difficulties have arisen about the matter of collecting for arrears, and that is being clarified. They are mainly amendments that will bring it into line with the practice which has gone on, where the powers are not clearly clarified by the legal language used. I move Second Reading.

The Motion for Second Reading was agreed to.

Bill No. 47 — An Act to amend The Hospital Standards Act.

Premier Douglas: — As in The Hospitalization Act, the amendments are mainly for the purpose of clarifying some of the administrative problems and some of the questions of interpretation. The major change, and it is not at all controversial, is to see that the regulations and provisions which now apply to hospitals shall also apply to approved nursing homes, and that is the main provision contained in this Bill. I move Second Reading.

The Motion for Second Reading was agreed to.

Bill No. 50 — An Act to amend The University Act.

Hon. Mr. Lloyd: — The purpose of this Bill is just to make clear that the University has the authority to appoint examiners for certain professional groups, when the University may be required to do so by other Acts. I move Second Reading.

The Motion for Second Reading was agreed to.

Bill No. 51 — An Act respecting the Manufacture of Dairy Products.

Hon. I.C. Nollet: — The purpose here, first of all, is to provide for the inclusion of a new definition, namely, "Dairy Manufacturing Plant," which will be broad enough to include ice cream manufacture, cheese, and creameries in that term; then, too, to a broadening of the definition "Dairy". At the present time that definition only applies to cities, and does not apply to such towns as Weyburn, Swift Current, and Prince Albert. It is also to provide a clarification of the Act, by providing for the issuing of permits for the establishment of dairy manufacturing plants, and the issuing of licenses for existing plants. Under the present Act, it only refers to licensing, and of course licensing has to do with the operation; but the issuing of permits has to do with the establishment of new plants.

The next amendment, and I feel it is possibly the most important one, is a provision for denaturing milk or cream that comes in to the processing plants, that is not suitable for processing, and the permitting of a harmless colouring substance to be used, thereby making it possible to return the milk or cream back to the farm where it may have, and has, some economic value. The reason I have said I thought this was pretty important is that at this time it could be very well used on the farm to help bolster our hog industry. It could be used for pigs, and also for feeding turkeys, and in addition to that, I would like to tell the House that it is very important as a fertilizer in stimulating the growth of garden vegetables, particularly cucumbers. Having said that, I would like to warn the members that in the event they try this, this coming spring, when they begin their gardening operations, not to use too much milk or cream on their cucumber plants. We did that one year, and we did not get any cucumbers that year, not even a pickle. The stimulating effect on the growth was such that the vines grew so fast, they wore the cucumbers out dragging them around the garden. With this brief explanation, I move Second Reading of the Bill.

The Motion for Second Reading was agreed to.

Bill No. 48 — An Act to amend The Community Planning Act.

Hon. J.H. Brockelbank: — This Bill deals only with some details in regard to the registration of ownership, and I think all of these amendments can be better discussed in Committee. Then I would therefore move Second Reading of the Bill.

The Motion for Second Reading was agreed to.

Bill No. 49 — An Act respecting Assessment and Taxation in School Districts.

Hon. J.H. Brockelbank: — This is a consolidation of the Act, taking in all the amendments which in previous sessions have been passed, and it also eliminates from the Act a considerable number of sections which, through the lapse of time, have become out of date and no longer apply to the situation today. This Act, The School Assessment Act, provided for the assessment and taxation in school districts when that work was carried on completely by the Secretary of the School District and the School Board. We have no longer that situation existing in the province, and those provisions are being deleted from the Act. I move Second Reading of the Bill.

The Motion for Second Reading was agreed to.

Bill No. 53 — An Act to amend The Industrial Standards Act.

Hon. C.C. Williams: — This is merely an amendment to amend The Industrial Standards Act, and defines the word "employee". For some reason or other, there was no definition in the original Act, and it re-defines the "employer". We find this is necessary — at least it has been suggested to us by the law

officers, that we define "employee" and "employer" in this Act — to be in line with the definitions found in The Minimum Wage Act and The Annual Holidays Act. I would therefore move that Bill No. 53 be now read a second time.

The Motion for Second Reading was agreed to.

Bill No. 52 — An Act to amend The Department of Natural Resources and Industrial Development Act.

Hon. J.L. Phelps: — In rising to move Second Reading of Bill No. 52 — An Act to amend the Department of Natural Resources and Industrial Development Act — I want to explain to the House that the only principle involved here is to make provision for the Department, in particular reference to the development of our parks — to have an advance account. The ordinary system of vouchers, through the Treasury Department, particularly in the operation of a Parks Department, where a great deal of buying and selling of goods takes place, becomes very cumbersome, both to the Department and to their source of supply, and as a result, in some cases payments are unnecessarily delayed. This provides for the setting up of an advance account similar to the Saskatchewan Book Bureau, which operates under the Department of Education, and the Highways advance account which — as my hon. friends know on the other side — they operate their accounts for the maintenance of Highways and for the purchase of materials and supplies. Any transactions that will take place under this advance account, which has been recommended by the Treasury Department themselves, will be subject, of course, to audit, and will be a part of the Public Accounts which are reported on each year. This is for the purpose of streamlining the procedure. Incidentally, it gives the House (under the old arrangement) an erroneous idea in regard to budgets. If we budget for commercial operations of that kind, it simply means the more money you vote or the more business you do, on a commercial basis, the faster your estimates are used up; that is, you are not able to use the money that you derive from the purchase and re-sale of goods. Under an advance account, it will be possible to do that. You will get an auditor's statement at the end of the season, showing how such money was advanced to the advance account, the purchases under that account, and how such surplus remained or was turned back to the Treasury after the year end. It will form a part of the Public Accounts that will be filed in this House.

With that explanation, I move Second Reading of this Bill. Agreed.

Bill No. 44 — An Act to ratify an Agreement between the Government of Canada and the Government of Saskatchewan.

Hon. C.M. Fines (Provincial Treasurer): — This is a Bill to ratify the Agreement which was made last year between the Province of Saskatchewan and the Dominion Government, concerning the settlement of the natural resources. The Agreement has already been signed, under conditions outlined to the Legislature during the Budget address, a year ago. I would therefore move that Bill No. 44 be now read the second time.

The Motion for Second Reading was agreed to.