

Unemployment Insurance Act, 1971

● (4:40 p.m.)

Mr. Alexander: I am engaged in a serious debate. I should like to point out that in the province of Ontario—I can only speak for this province as a result of information received—school boards will be facing, if numbers continue to remain constant until 1975, education costs of \$3,319,000 in 1972, \$4,917,000 in 1973, \$6,639,550 in 1974 and \$8,299,230 in 1975. This will reflect a corresponding increase in the level of contributions of employers in the province over that period.

The minister says that, having had several discussions with the provinces, everything now seems to be all right in terms of legislation emanating from the white paper, in view of give and take on both sides. In the long run, he says, we have now satisfied the provinces. I am just wondering whether this is the fact. Is the province of Quebec quite satisfied at this particular time? Similarly, is the province of Ontario quite satisfied? The great cry in Ontario now is "cut education costs". I do not want to be partisan but there are politicians in all parties who want to reduce the cost of education today.

I suggest that with this plan the minister has usurped provincial jurisdiction. Perhaps not intentionally, of course; knowing the charm of the minister, he just would not do that intentionally. Perhaps his officials were unaware of the importance of the problem of education costs. Many people in the province of Ontario and in other provinces too, and I say rightly, are asking how the federal government can do what it proposes to do. The people in the city of Hamilton are not only concerned about the cost of education in the year 1972; they are also concerned about what this cost means by way of increased property taxes. They realize that the system is antiquated, but nevertheless they can see no direct relief in sight.

The province is also concerned because it is attempting to hold the line on education costs. Members of all parties admit this. On the other hand, the minister is now involving himself in a matter about which, I am afraid, we shall have to have more definite answers, Mr. Speaker. Either the provinces know what sort of situation they are getting into or they do not. The minister has stated that the provinces will be glad to join the plan. I see the minister shaking his head. I understood the minister to say to the provinces that by getting into the plan now, and bringing in teachers, the government is going to save them money in the long run because they will not be required to devote any funds to welfare, at least to any great degree.

Mr. Mackasey: Would the hon. gentleman permit me to clarify something that I may have said unintentionally, so that he may continue his speech in the right vein. Whether or not the provinces come in has nothing to do with the school teachers. I do not want to leave the inference that the provinces are satisfied to come in as employers of public servants. The provinces have been satisfied with the changes in this bill. In so far as the department of manpower is concerned, whether the teachers come in or not has nothing to do with the provinces.

[Mr. Thomas (Moncton).]

Mr. Alexander: Mr. Speaker, the minister is only partially correct, but I am sure he realizes that the moment we start increasing school board assessments the provinces become directly involved. This is all I am saying. As a matter of fact, there are some provinces that, because of peculiarities in their legislation, will be able to opt out as far as the teachers are concerned. Although I cannot put my finger on any province right now, one or two provinces hire teachers directly. I think they are New Brunswick and Newfoundland. So, you have the peculiar situation that some provinces that are concerned about rising school board costs would be able to opt out. At the same time, the province of Ontario is paying something like 56 per cent of education costs, and if all goes well is going to increase its participation.

This whole question is so interwoven with the government's unemployment policy and its fiscal and monetary policy that I would be remiss if I did not bring home to the minister several factors that I think he chose to ignore. He kept strictly to his act and said he would not become involved with government fiscal and monetary policy, a policy that has created hardship for a great many Canadians. Now, the minister becomes the shining knight charging into the fray, declaring that the solution is to pay benefits of \$100 a week to those who can qualify. The minister is quite right; not everybody will receive the \$100 a week, and these payments will not come into effect until January 1, 1972. A man would have to make \$150 a week before being entitled to unemployment insurance of \$100 a week.

The minister was fair to point out something that the media neglected to mention, I think, namely that the moneys received would be taxable. This is extremely important, and I am glad to have the minister repeat it. I know my hon. friends to my left will have something to say in this regard. Make no mistake about it, Mr. Speaker: we are for the principle of unemployment insurance. When the minister was explaining how interruptions in earnings can be carried further in terms of sickness and maternity benefits, I was surprised that he did not mention our senior citizens in that regard.

Mr. Hales: Yes, he did.

Mr. Alexander: Then, perhaps I was busy with something else at the time instead of paying strict attention to the minister. We recall that the Liberal government set out to curb inflation by creating mass unemployment. They did this by adopting a tight money policy which pushed interest rates sky high, increased taxes, limited the supply of new money, discouraged commercial building in certain provinces, placed severe restraint on federal spending, froze civil service hirings and lowered tariff barriers to force Canadian products to meet stiffer competition from outside.

In my opinion, these measures have not enabled us to win the battle against inflation, though in December 1970 the Prime Minister (Mr. Trudeau) said:

We have won last year's victory, the one against inflation. It is obvious from the statistics of the past two months that inflation no longer exists in Canada.