

Unemployment Insurance Act

expressed a view that, like the late Hon. Norman Rogers, there is no cure for this problem except socialism.

Mr. Gregg: Mr. Chairman, I think the committee would want me to refer —

The Chairman: Perhaps the hon. member for Macleod might be allowed to proceed.

Mr. Hansell: I was going to ask a question. Perhaps the minister will answer it when he replies. I might say that I was perhaps fortunate—that may not be the right word to use—in being on the committee of this house which was responsible for the Unemployment Insurance Act when it first became law in 1940. That was some years ago and I can recall the meetings of the committee and the investigations which were carried out. Particular attention was paid to the actuarial soundness of the unemployment insurance fund. We had departmental as well as other actuaries who were purposely employed to study the matter.

The actuaries considered that the fund would be actuarially sound. The committee finished its work and I can recall the then minister of labour calling us together—we actually had our pictures taken—and saying that the bill would go down in the history of Canada. At that time it was hailed as a great advancement in legislation of this country.

As I say, a measure of full employment was realized and it continued over the war years. Naturally the fund became pretty healthy as it was a case of all the money coming in and not a great deal going out. But perhaps the picture is beginning to change. I should like to ask a question which the minister can answer now or when the bill comes down. I think we should know the exact state of the fund and what it has been over the years. Those figures must be somewhere. What was the income? What were the expenditures?

The government has decided that the present period of unemployment must be cared for in some fashion. The government must assume a measure of responsibility for the economic condition of the country. If there is a period of unemployment there must be some reason for it. There must be some background or some cause. I think we can conclude that the financial policy of the government is the reason. Financial policies govern the destinies of a nation, at least industrially.

A period of unemployment is now upon us. Previous speakers have said already that

the solution of the problem is not to be found in the payment of unemployment insurance but in the establishment of full employment. That full employment depends on industry, and whether industry is continuing to function as it should. If it is not, then I claim it is because the government is pursuing wrong financial policies.

I rose not only to ask some questions but to indicate that this is not really something that the government is doing for anybody. The government has taken great pride in bringing in a measure concerning unemployment insurance, which measure has helped the worker when he has not been employed. But what it actually amounts to is nothing more or less than giving back to the worker that which in large measure belongs to him. He has been contributing to the fund for a good many years along with industry which employs him. But that part of the cost is not paid by industry in the final analysis; it is absorbed and paid for in higher prices to the consumer. That must be recognized.

When the worker pays into the fund he has not as much money to spend on his own livelihood. It is the consumer plus the worker who is paying for unemployment insurance. All the government is doing is to appraise the situation and decide how much he should have of his own money and when he can have it. That is really what is happening.

That is all I want to say. Once more I reiterate that this does not solve the unemployment problem. It will not be solved until the government pursues proper financial policies.

Mr. Gregg: Mr. Chairman, this afternoon I shall confine my remarks to those words which have been directed toward this resolution rather than those which have been directed toward the unemployment situation generally. The hon. member for Hamilton West stated that this bill should have been brought in earlier at a fall session as part of the larger bill. Regardless of the merits of calling a fall session, I can assure her that if this particular little bill had been brought in in November as part of a larger one which I propose to bring in very soon I am doubtful whether or not its advantages could have been made to accrue to workers this winter.

The hon. member referred to the amount of supplementary benefits that would be paid out this winter.

As she correctly stated, in the last year the amount was approximately \$12 million. The best actuarial estimate that we can get on this would indicate that if the number of workers drawing supplementary benefits this