

*Unemployment Insurance Act*

Canada". I apologize if I said, inadvertently, that the minister had issued this news release. Let me correct that. The minister's name does not appear on it; it is put out by the Public Relations Branch of the Unemployment Insurance Commission. The heading of the communique reads: "Notes on proposed amendments to the U.I. Act concerning the ceiling on advances". Talking of the removal of the \$800 million ceiling on advances, the communique says, "Such a ceiling is unrealistic in the light of constantly-changing and unpredictable factors . . .".

The second paragraph of the communique mentions that the government's share, payable when the national unemployment rate is over 4 per cent, is not paid until April 1 of the following calendar year. Then, farther down the page, there occurs a sentence which is most interesting. Although the minister's name does not appear on the communique, I assume that he cleared it before its release. The words I refer to are, "There are sufficient controls, through annual reports . . .".

In one paragraph the communique refers to taking off the \$800 million ceiling on advances and in the next it refers to the controls that exist. Does that not imply that the ceiling was included for purposes of control? If the ceiling were to be raised, the matter would come before parliament. At any rate, that is how I see it. The full sentence in the communique reads:

There are sufficient controls, through annual reports, Auditor General reports and Public Accounts to ensure an adequate review of the financial operation of the program.

The government, in this communique which must have been cleared by the minister, is saying in so many words, "Although we want to take off one control, do not worry; there are other controls which will offset that."

The former minister took some time talking about the ten different controls existing. Obviously, he was concerned. I assume he realized we were losing this control. He said, in effect, don't worry; we have other sufficient controls. My colleague, the hon. member for Yukon, reviewed these so-called controls very thoroughly. I will not go into them again other than to put on record that the so-called controls are not controls at all. They are not controls before the fact, they are controls after the fact.

• (1650)

In committee we questioned the minister who substituted for the minister responsible about these controls. He said, don't worry; you have the annual report of the Unemployment Insurance Commission. What is a report? What controls are there? He ignored the fact that the report does not come out until the September after the fiscal year is over. He talked about the auditor General's report. What controls are there in a report that comes out a year or two after the fact? What can parliament do about it then?

I submit there is a very definite reason for this clause being in the original act. The reason is that this was the only way we could force a wild spending government to come back to parliament and justify their actions. I submit that the ceiling should remain. I do not buy the argument that we destroy the Unemployment Insurance Act if we do not pass this bill. As I said earlier, there are many ways in which the Unemployment Insurance Com-

[Mr. Thomas (Moncton).]

mission can get the necessary money to pay the benefits under the act. It is not legitimate to state that when we have passed legislation that guarantees benefits to the unemployed, we can put something in it to prevent the unemployed from getting those benefits. I submit that the act does not do this. The act states that the Unemployment Insurance Commission shall pay benefits at such and such a rate. It also contains special clauses which give the Unemployment Insurance Commission, through proper representations to the government, the power to raise all the necessary monies to pay the benefits guaranteed under the act.

This whole business is a sham. We listened to members on the government side say that we were ruining the act. The Unemployment Insurance Act is good. It is not the act that is on trial here. It is the government that is on trial because of its mismanagement, getting into this mess and now coming to us to get them out of it.

**Some hon. Members:** Hear, hear!

[*Translation*]

**Mr. Charles-Eugène Dionne (Kamouraska):** Mr. Speaker, I have often pointed out to the House that most of the laws are drafted in a language which leads to confusion. The present example shows that long and quite costly studies were made, that commissions of inquiry were established, that white papers were published and that economists were hired who tried to estimate the approximate cost of the variations established about the rates of contributions and benefits, probable income and expenditures.

All this resulted in the presentation of Bill C-229 entitled "An Act to amend the Unemployment Insurance Act", after unending studies in committee and debates in the House where a certain number of members seem more interested—and we have again noticed today—in hearing themselves talk rather than making practical suggestions.

The legislation was adopted on June 14, 1971. Since that date, various things occurred, none of which helped reduce unemployment. This is so evident that for the past few days, officials have been trying to find a way to pay advances to the commission to enable it to pay unemployed people the benefits to which they are entitled.

Answering some questions on January 31 last, during a sitting of the Standing Committee on Labour, Manpower and Immigration, the minister said, and I quote:

If it were to happen that the commission, as a result of failing to have the advances which this bill allows, be out of funds, the commission would simply have to stop issuing cheques for benefits so long as it was in that position.

—which period had been mentioned in the question.

Later, the minister said:

Well, yes, the estimates at the moment, as precise as we can have them in terms of hours and timing, really mean that that is the critical day. I am quite satisfied that that estimate could be out an hour either way—that kind of thing.

When the hon. member for Winnipeg North Centre (Mr. Knowles) asked him:

It could even be out a day, but a point would be reached at which unemployment insurance claims would not be paid.