

*Unemployment Insurance Act, 1971*

categories. The administration of this inclusion will prove costly to these municipal school boards. Under Section 91(1) of the BNA Act, the teaching profession falls within the jurisdiction of the provinces. For that reason, there might be a violation of the constitution if teachers were brought under these provisions. The minister seems to be accepting this suggestion very quietly. Probably he has other ideas in this regard.

Let me draw the minister's attention to the principles of unemployment insurance. I do not think I can do this in a better way than by quoting Sir George Perley who, on March 8, 1935, at a time when the Unemployment Insurance Commission was being considered and some four or five years before it came into effect, said, as reported at pages 1530 and 1531 of *Hansard* for that date:

Stated in general terms, unemployment insurance can only be satisfactorily extended to persons in employments where there is a material degree of unemployment and where the employment is carried on at such places and under such conditions that it is reasonably practicable to adopt a scheme of unemployment insurance with real advantage to the persons insured.

Sir George Perley was quoting from a memorandum prepared by Mr. A. D. Watson, Chief Actuary of the Department of Insurance, and Mr. M. C. MacLean of the Bureau of Statistics. I think this statement applies as well today as it did when unemployment insurance was in its infancy. There is no real advantage to teachers in buying, as I say, this type of insurance. If there were, I am sure quite a few teachers would be quite willing to come under the Unemployment Insurance Act. As it stands now, however, the majority of teachers throughout this country have the impression they would be paying into an insurance fund from which they would collect no benefits whatever.

• (4:40 p.m.)

Then, there is the matter of the additional cost to the municipalities. In the mining towns in my community, the school boards would be faced with an additional annual cost of \$13,000 or \$14,000. This is a matter of great concern to them. Of course, it is of concern to the Nova Scotia government, which is doing its utmost to cut back on educational costs, that at this time there is a program being introduced in the federal House which would add greatly to their costs. I understand that the province of Newfoundland hires its own teachers and, therefore, in that case the provincial government would be responsible for every school teacher on the payroll.

I should like to say a few brief words in respect of the questions put to the minister this afternoon concerning the problem of centralization of the different government departments. I should like also to refer to the Sydney area, although it is not in my constituency and, therefore, I am not trying to promote something for my constituency. Sydney is located in the industrial centre of Nova Scotia. When the federal government decides on any centralization program, I believe it should take into consideration the location in which the departments might be centralized. I think, if any centralizing is to be done in Nova Scotia in respect of his department, the minister should give serious consideration to the Cape Breton

[Mr. MacInnis.]

area, which is the industrial heart of Nova Scotia, and is the area in which the unemployment picture is worse than in any other part of the province.

As I said in my opening remarks, I shall restrict myself to the matter which is before us at the present time. However, in speaking of DEVCO I wish to assure the minister that at no time have I complained of the administration of the UIC or what it is doing in this regard. I repeat this statement in order to assure the minister, and I have given similar assurance to the head of the Unemployment Insurance Commission, Mr. Des-Roches, not only by phone but also by letter. I have given the assurance that the violations which have been carried on by DEVCO are not something for which I am blaming the UIC. But I do believe this is an area in which the minister could exercise his influence so that the men concerned are not deprived of the unemployment insurance payments, not by the UIC but by a Crown corporation. I would ask the minister to give every consideration to providing assistance in this particular area. I believe the minister and the UIC should use their influence in this regard. This matter is well covered in section 58 of the Unemployment Insurance Act and is also covered in the new legislation. There is a provision that no one can touch a man's UIC benefits. There is one exception of which the minister is well aware. The only body which can withhold UIC benefits or take advantage of the UIC fund is the commission itself, since it is authorized to hold back an amount of money which may have been overpaid on a previous occasion. The commission is permitted to withhold that amount of money from the next payment.

There is no provision for anticipation. It is in this area that the DEVCO corporation has gone astray. DEVCO certainly anticipated when it came up with its pre-retirement plan. The idea was advanced that the UIC fund could be used to supplement the first year's retirement of any individual so long as he was qualified to collect UIC benefits. Since we are dealing here with a Crown corporation, I would ask the minister to use his influence and authority by implementing section 58 of the Unemployment Insurance Act to ensure that these men can fully recover this money. The Minister of Regional Economic Expansion (Mr. Marchand) said that these men are entitled to money over and above the pre-retirement leave plan. The Minister of Regional Economic Expansion said that full benefits would be made available. Let members be fully aware of the fact that although I asked about the 10 per cent increase made available on January 3 this year, this is not the question the minister answered on that particularly day. I shall paraphrase what he said on that occasion.

In answering a question at that time, the minister said there had been a meeting of the board of directors of DEVCO in the last few days at which time it was decided to grant full benefits to the retired workers. I ask that this decision be implemented and that the minister use his influence and authority to see that section 58 of the Unemployment Insurance Act is carried out to the fullest extent. I repeat that the answer by the Minister of Regional Economic Expansion on that