

*Unemployment Insurance Act*

commission. Not only were they extraordinarily well informed, but they supplied information to the committee on a clear and understandable basis. We also felt that the work of the committee was made much easier by reason of the very excellent services which they performed for the committee. On the last day that the committee met a formal resolution of appreciation went to them from the committee, but I should like to take this first opportunity to record in the house our appreciation of their services. That does not mean that we entirely agreed with everything they said.

During the presentations which were made it was brought out in one of the commission briefs that 3·5 per cent of all claimants had gone over 30 weeks. That does not mean that 3·5 per cent of all claims were for the full 51 weeks. It just means that they went beyond 30 weeks and they would reach anywhere from 30 weeks to 51 weeks. This figure was bounced around a bit and has been referred to variously as 5 per cent, 4 per cent and 3·4 per cent. Finally, we got the 3·5 per cent figure, which it was generally agreed was accurate; but again we find the government trying to stand on both sides at one and the same time, as the brief says this:

In view of the high percentage of claimants who do not use the long period . . . it was considered justified to reduce the maximum period of entitlement to 30 weeks.

In the very next paragraph they talk about the drain on the fund from this type of claimant. You cannot have it both ways. If most of the claimants do not use the longer period, if just a very few do get more than a 30-week benefit, then you cannot turn around in the next breath and say that the period must be reduced by reason of the fact that it constitutes a drain on the fund.

There is the question to consider of just who are these people who are likely to benefit from the longer period. I think it goes without saying, Mr. Chairman, that in any event a great many of them will be people who are over 40 or 45 years of age. There has been quite a bit of talk to the effect that in the main it is going to benefit retired persons. Well, it may benefit some of those who have been thrown out of employment by reason of compulsory retirement; but I cannot see anything wrong with that if those people are still available to the labour market. After all, the basis which I quoted at the start was that they should be capable of and available for employment and no employment is available for them. If that is the basis, and if these people have contributed and have paid their insurance,

[Mrs. Fairclough.]

why should they not have the full maximum period of benefit? Who is there to say that they can benefit up to 30 weeks and from then on they should be cut off merely because of their age?

I should like to point out, Mr. Chairman, it is all very well to say that these people can re-apply. They can re-apply after they have had a further period of employment. I should like to ask hon. members how many of them know among their own acquaintances persons who, having been thrown out of employment after the age of 40 years, have tried to get other permanent employment? It is almost impossible. You can wish as you like and say that after all if these men want to work they can go out and find a job. What we are trying to do is to force them back into employment. Well, I am sure nobody wants to work more than the men themselves, and particularly men who are between the ages of 40 and 60.

They do not want to pass the rest of their lives with no jobs with which to support themselves and their families. Neither do they want to be bounced around from job to job, some of them in insurable employment and some in uninsurable employment; because I am convinced the type of employment that most of these people will get will be employment which is not covered by insurance. Unless they can get employment that is covered by insurance they cannot build up benefits to requalify for another period. I think it is wrong. I think the whole basis of reduction of benefits is wrong. I very much suspect that the commission is not too sure that it is right.

If it were sure why would it make provision in the bill for what I called in the committee a trial run? Why would it have left the other conditions in effect for a period of three years, and why would it say, at page 21 of the actuarial report:

In general, it is impossible to estimate what the effect of the proposed scheme will be in shifting the pattern in which benefit years terminate.

On the basis of the actuarial report, Mr. Chairman, with 3½ million people in the contact population, taking the figure given of \$47.71, which is the expected cost of benefits per person compared with \$46.32 expected revenue, exclusive of interest, we have a loss of \$1.39 per person. But we also have expected interest at the rate of \$6.50. Therefore, on this basis we still have a net profit to the fund of \$5.11 per person, or \$16,607,500, on the basis of the actuary's own figures.

I am not worried about the condition of the fund, not a bit. It is my opinion that after these new provisions have been in