

Administration accounts for \$42.5 million, making a total government expenditure for the program of \$116.5 million for the current year.

A great many people, Mr. Speaker, are of the opinion that the unemployment insurance fund is not solvent. This is not quite the case. At the end of the first fiscal year, 1941-42, the fund had accumulated \$44 million. This amount rose to a high of \$881 million in 1953-54 and fell to a low of \$66.5 million in 1961-62. Since that time I understand there have been one or two occasions when the fund was actually in deficit. The fund does have seasonal fluctuations; however, at the end of August of this year the unemployment insurance fund stood at \$300,566,000.

Under these circumstances it should be possible to increase to some extent the benefits without greatly increasing the coverage. If it is the intention of the government to withdraw government participation, aside from administrative expenses, this would be extremely difficult, if not well nigh impossible. On the other hand, it would be unwise to remove from coverage those referred to in this notice of motion who require the benefits which have been provided.

I should like to turn, Mr. Speaker, to a second basic recommendation of the Gill committee dealing with the question of universality. This question has caused a great deal of concern in my riding and I am sure other hon. members have experienced the same problem. I know of no other occasion when I have had so many letters from self-employed professional people, particularly medical doctors. For example, I should like to put on the record part of a letter received from one doctor. It is addressed to me and reads:

I wish to register my strong opposition to the proposal concerning the involvement of self-employed persons in the unemployment insurance fund.

There is no conceivable circumstance under which a professional or self-employed individual could collect from the fund and this would then appear to be discriminatory taxation.

If the fund is in financial difficulties, as we understand it to be, the most logical approach would be to re-examine the circumstances under which benefits are paid rather than to continue to pump money into a leaking sieve.

This concern was no doubt prompted by some press releases this summer of indeterminate origin. However, in all fairness not even the Gill report, which may or may not be the basis for anticipated legislation, connects universality with self-employed persons. It does, however, recommend that

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coverage be extended to all persons in an employee-employer relationship, and at page 107 of the report the following recommendation is made:

We recommend that the existing earnings ceiling on coverage be removed and coverage be extended to all persons who are in the position of employees in an employer-employee relationship, without regard to their income. We believe, however, that the insurance plan should extend only to a certain proportion of the income of those in the higher income brackets and consequently we contemplate a maximum limit on the contribution and the benefit.

● (5:30 p.m.)

Perhaps hon. members have, as I have, heard from another group with respect to amending section 27 of the Unemployment Insurance Act which deals with excepted classes. I refer to the teachers. Teachers presently are in the excepted category. Paragraph (i) of section 27 of the act, which is headed "Excepted Employment", reads as follows:

(i) employment as a teacher, whether engaged in a school, college, university or institution or in a private capacity;

Members of the teaching profession are concerned, with justification, about the possible implementation of some of the recommendations of the Gill commission. I shall again quote from the report of the Gill commission. In paragraphs 12 and 13 on page 106 the following words are found:

12. The traditional reason for the exception of groups such as government employees, policemen and teachers has been that unemployment is essentially a feature of industry and consequently coverage should be confined to those who are engaged in industrial employment in all its many varieties. The view was that employments such as government service, teaching and police work were apart from industry and were not subject to risk of unemployment. However, activities of governments at various levels have now extended so widely as to be virtually indistinguishable in many cases from employments that fall within industry. Also, there is active movement of employees between such excepted employments and employment in industry. We believe, therefore, that the traditional reason for excepting such groups, whatever validity it may have had in the past, is not valid now.

The next paragraph is interesting.

13. In our opinion, the fact that these or any other groups carry virtually no risk of unemployment is not a valid reason for excepting them from coverage. Already covered by the scheme are many groups of employees who have secure employment, indeed employment no less secure than that offered by the excepted classes and perhaps in some cases more secure.

As a member representing an Ontario constituency I received a telegram from the