REVENUE AND EXPENDITURE

UNEMPLOYMENT INSURANCE COMMISSION

Year	Revenue	Expenditure
1959–60	$281,315,142	$415,234,067
1960–61	332,698,344	513,905,724
1961–62	336,652,639	454,739,439
1962–63	346,285,948	403,191,171
1963–64	357,074,667	365,654,718
1964–65 (Interim)	368,792,795	335,074,386

Hon. Mr. Choquette: Whatever it is, it now survives on handouts from general revenues.

Hon. Mr. Connolly (Ottawa West): Would the honourable senator tell us whether the table he has placed on *Hansard* indicates the amounts from year to year that were in the fund?

Hon. Mr. Choquette: Yes. That is there, too—the balance left in the fund and the borrowings that had to be made.

Hon. Mr. Connolly (Ottawa West): Thank you.

Hon. Mr. Choquette: The Gill Commission recommended the expansion of the present plan which at present extracts premiums from and pays benefits to employees making no more than $5,460 a year; so almost all employees participate.

The Commission, in its recommendations, also sought to make a clear distinction between unemployment insurance and welfare. It suggested that the insurance provision should apply to those who were out of work for a maximum of 26 weeks, and that beyond this period some welfare became involved and this should be the responsibility of the whole nation.

The underlying principles which governed the Commission's recommendations were two: universality and a division of the insurance functions of the program from its welfare functions.

The Gill Commission recommended that all employees, no matter how much they make, be required to pay premiums on a stated portion covering income—with matching contributions from their employers—and be entitled to benefits. This would vastly broaden the insurance base of the plan, thus giving the plan greater stability.

This part of the new program would be entirely insurance and would provide benefits for a maximum of 26 weeks. Unemployment lasting beyond this period, the Commission reasoned, involved some welfare. It therefore proposed the creation of the new plan which would provide benefits, without a means test, for a further maximum of 39 weeks and would be paid out of federal taxes. Unemployment lasting longer than a total of 65 weeks, it also reasoned, was a social problem and should be treated wholly as welfare. At this point a chronically unemployed person would go on welfare, with a means test. Benefits would be provided on a 50-50 basis by the federal and provincial governments through existing welfare departments.

What reference do we find in the Speech from the Throne to this urgent matter? We find the following, probably as an afterthought:

> My Government will propose a revision of legislation on unemployment insurance.

This, like other portions of the Speech, could mean anything or nothing. But unless it means that the Gill recommendations are about to be implemented, the legislation will have a stormy passage, at least in this House.

Honourable senators, the Government is very fortunate in inheriting an upsurge in the economy, an upsurge which is basically due to the far-sighted policies and corrective measures initiated by the previous administration. The present Government has done little or nothing to contribute to this upsurge and a great deal to resist it or slow it down. I refer to the ill-advised tax on building materials and the various discouragements to our friends who would like to invest in the future of Canada, and whose help we need. Moreover, no tax relief is apparently to be given to our principal producers of goods and services, on whom our economy basically depends.

I have mentioned before that the Speech is, on the whole, an example of the fine art of wooing the people with their own money. No price tag has yet been placed on the plateful