

Unemployment Assistance

Mr. Martin: As to administration costs in the provinces, the costs of existing public assistance programs are tied in with other measures and I cannot give that figure. We asked for that at the conference and some rough estimates were given, which I forget at the moment, but apparently there are no separate accounts. In the case of family allowances administration I know that in the case of the Department of National Health and Welfare it is 1½ per cent and for treasury it is a little higher than that, with the total being under 4 per cent. I used that amount at the conference, but I was not able to get from the provinces an exact statement because they do mix it up with other matters such as mothers' allowances, field investigations under the children's aid and so on. It is not segregated. Then there is the fact that some of the larger municipalities have extensive operations of their own.

Mrs. Fairclough: I realize that, particularly well-organized municipalities. For instance, applications for mothers' allowances, old age security and old age assistance benefits, and disabled persons assistance are usually filed with the local welfare office and I agree that it would be hard to separate those. But even taking that into consideration there must be a level at which you can arrive so you can say that the total cost of administration—I shall take a figure half-way between the two used by the minister—is 2½ per cent.

Mr. Martin: I would think it would be higher than that.

Mrs. Fairclough: The amount does not matter; let us say 4 per cent. Admittedly some of that cost would be as the result of applications being received which were not directly related to the local relief program. Even if you made allowance for some error and arrived at a figure which you could relate directly to the administration of the local relief problem, you should be able to apply that figure to the net amount which the province would receive from the federal government under this assistance, which would go a long way toward defraying the cost of administration. I do not think it would be too difficult.

Mr. Martin: We asked them and they could not give it to us.

Mrs. Fairclough: The minister's own department should be able to arrive at some sort of figure. The municipalities could not give it because they have been doing a lot of federal government work in their own offices.

Mr. Winch: I consider that clause 3 is the important clause in the bill, the key clause, and I should like to ask the minister if my

[Mrs. Fairclough.]

interpretation of the clause is correct. The clause is very definite. It reads:

3. (1) Subject to this act, the minister may, with the approval of the governor in council, enter into an agreement with any province to provide for the payment by Canada to the province of contributions in respect of unemployment assistance costs in the province.

(2) The contributions to a province shall not exceed fifty per cent of the unemployment assistance costs in the province in respect of which Canada has, under the agreement with the province, undertaken to contribute.

It would seem to be quite definite that the minister can make an agreement with any province in any amount the province wants to pay, and the federal government will contribute up to 50 per cent of the cost. I think that interpretation is correct.

I am sorry I have to go back to what was said when we were discussing clause 1, but this seems to be the place at which to discuss this particular matter. There is nothing in this bill which has anything to do with a means test or as to who is covered or who is not covered, and I include in that a fisherman or a businessman who has gone broke or a farmer who is destitute. Do I take it that this clause actually means that the establishment of who would be entitled to aid would be decided by provincial regulations and provincial decisions or on the basis of an agreement signed with the federal government, and then the federal government would pay 50 per cent? In other words the minister is saying by this clause 3 that if a person is not entitled to benefits the province can actually lay down who has a right to receive aid outside of the present legislation, and the dominion will pay up to 50 per cent. Therefore the matter of aid to fishermen or to any other individuals would be something laid down by the province. Am I right or wrong in that?

Mr. Martin: I think when we come to clause 4 (c) the hon. member will see that the agreement contains provisions for the carrying out of assistance to persons who are in need.

Mr. Gillis: I would like to get some clarification of the agreement in connection with one or two points, the first being residence qualification. I am thinking particularly of Nova Scotia, which has not signed an agreement. The dominion government has assisted in the movement of some hundreds of people from Nova Scotia to British Columbia. Some have been shifted to Ontario, but as Ontario has not signed an agreement an argument in that connection would not be valid.