

(a) recommendations for the amendment either generally or in relation to special classes of insured contributors, of the provisions of the Unemployment Insurance Acts referred to in part II of the third schedule to this act or of the provisions of any previous order made under this section, being such amendments as in the opinion of the committee are required in order to make the fund, as the case may be, sufficient or no more than reasonably sufficient to discharge its liabilities; and

(b) an estimate of the effect which the amendments recommended will have on the financial conditions of the fund; and, where the committee report that the fund is and is likely to continue to be more than reasonably sufficient to discharge its liabilities, the report may contain recommendations for the application of any sum towards the discharge of the liabilities mentioned in subsection (2) of the section of this act next following.

(4) The committee shall give such notice as they consider sufficient of their intention to make a report under this section and shall take into consideration any representations which may be made to them with respect thereto.

(5) Within the period of two months after the receipt by the minister of any report under this section or, if parliament is not sitting, at the expiration of that period, then, as soon after the expiration thereof as parliament sits, the minister shall lay the report before parliament, and in a case where the report contains recommendations for the amendment of the Unemployment Insurance Acts or of any previous order made under this section, shall after consultation with the treasury lay before parliament—

(a) the draft of an order making such amendments as are duly recommended by the report, or, if and so far as any amendment so recommended is not adopted by the minister, making such amendments (being amendments which the committee had power to recommend) as will in his opinion have substantially the same effect on the financial condition of the unemployment fund as that estimated by the report as being the effect of the amendments recommended; and

(b) if and in so far as the amendments proposed by the draft order differ from the amendments recommended by the report, a statement of the reasons for the difference.

(6) If each house resolves that the draft of an order laid before it under this section be approved, the minister shall make an order in the terms of the draft to take effect on such date as may be specified in the order, and as from that date the provisions of the Unemployment Insurance Acts and of any such previous order as aforesaid shall have effect subject to the provisions of the order.

(7) So much of the Unemployment Insurance Acts, 1920 to 1933, as provides for the variation, otherwise than in accordance with the provisions of this section, of the rates of contributions in force at the commencement of this act shall cease to have effect.

(8) This section shall come into operation on the passing of this act.

Mr. NEILL: I fully appreciate what the Prime Minister has read, but are not the duties and responsibilities he has mentioned those of the commission? In Great Britain the committee were to advise the minister, who operates the act, but we have in Canada a commission to operate our act. By naming a committee we would be putting such committee over the commission, and would be placing them in a position of supervising everything. To me it seems like painting the lily and adorning the rose.

Mr. BENNETT: I think if the hon. member had read the actuarial report he would have observed the importance they attach to this provision. It is a salutary provision to prevent the possibility of the fund falling to a point where it is no longer able to meet the obligations or, on the other hand, to prevent faulty administration with respect to the measure. Auditors will report, of course. But a committee—I hope a committee receiving no salary or remuneration—composed of well intentioned men, men with high ideals of public service, would endeavour to discharge a duty to the state by assisting in the administration of a difficult measure. The fund under the English act fell into debt. If my memory serves me correctly it was in debt to the extent of £90,000,000.

Mr. MACKENZIE (Vancouver): £115,000,000.

Mr. BENNETT: That is correct, yes. Introducing his last budget, Mr. Churchill, chancellor of the exchequer, pointed out that because of what had taken place it was necessary for the state to assume obligations which if capitalized represented the enormous sum of £750,000,000. This is the method devised in Great Britain to insure against a recurrence of such a condition. In this measure I believe the provision now under discussion will have a most salutary effect, and I ask the committee to adopt it as a means of preserving the integrity of the fund and the usefulness of the measure itself.

Mr. NEILL: Is that not a duty of the commission?

Mr. BENNETT: Yes, that is true.

Mr. NEILL: Are we not reflecting upon their ability?

Mr. BENNETT: No, I think not.

Mr. WOODSWORTH: Listening to the Prime Minister I fail to see how the committee would act as a safeguard to any greater extent than the commission would.