

Unemployment Insurance Act

order to acquire short term securities and treasury bills instead of accepting long term conversion bonds.

This was ably pointed out by the hon. member for Welland, who increasingly amazes all of us with his financial erudition.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): The hon. member for Welland has won the respect of this house because of the increasing manifestations of his great competence and acumen in this field.

Mr. Fleming (Eglinton): Have you been coaching him?

Mr. Martin (Essex East): I would be greatly honoured if I could say so. He has been coached by our expert spokesman on finance, the hon. member for Kenora-Rainy River. Together they present a formidable team.

Mr. Fleming (Eglinton): It is his responsibility then.

Mr. Martin (Essex East): We in this small group, as a matter of fact, are developing a team of financial experts—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East):—which if my hon. friends opposite had done when they were in opposition would have served to prepare them for the great responsibilities that are theirs now. I am sure the Minister of Finance would not have embarked on some of the fantastic financial schemes that he has projected if he had had a greater training in finance when he was in opposition during the long bitter days of hard winter—

Mr. Fleming (Eglinton): You know what they are now.

Mr. Hellyer: Too little and too late.

Mr. Martin (Essex East): I do not know why my hon. friend shows his resentment by sitting sideways in his seat.

Mr. Fleming (Eglinton): I am trying to avoid looking at you. You are so sensitive.

Mr. Martin (Essex East): Usually he confronts me with full body and now he confronts me with half body. I assure him this is conduct that shows a discourtesy to one who is seriously interested in a very important discussion.

Mr. Pickersgill: His lights are dimmed to avoid the glare.

Mr. Benidickson: He is giving you the cold shoulder.

Mr. Martin (Essex East): His lights are dimmed to avoid the glare. Mr. Chairman, I ask the Minister of Finance to realize that

the bill before us is one that seeks to bring about a yield of \$100 million in additional revenue, \$80 million of which is going to be contributed by the workers of Canada, the little men, as the member for Welland said, and the employers of our country. Before imposing this serious continuing obligation on these two segments of our population the Minister of Finance ought to get his colleague the Minister of Labour and others to reconsider this matter, as was also pointed out yesterday by the hon. member for Timiskaming when he spoke.

The Minister of Finance has predicted a possible increase in the gross national product of 7 per cent. Since that prognostication or forecast was given, the Prime Minister said in a speech outside this house that he thought—I hope I do not overstate the observation of the Prime Minister—the results would indicate that instead of a 7 per cent increase in the gross national product it would be considerably higher. As a matter of fact, I have seen in some financial journals the suggestion that it could even be double the 7 per cent. I am sure we will all welcome that.

Well, let us assume that the bright economic outlook for 1959, given by the Minister of Finance, will materialize. I point out—and this is a serious observation which the Minister of Finance must now deal with squarely—that such a recovery would result in reduced expenditures and increased revenues for the unemployment insurance fund in 1959 and 1960. On that basis, and assuming that the level of contributions was to remain unchanged, the fund would not be in the perilous state that was referred to unanimously by the members of the advisory committee. I ask the Minister of Finance, assuming that this estimate that the gross national product will increase by 7 per cent or higher materializes, will there be a deficit or a surplus in the fund?

In the answer to that question, in the final analysis, is involved the kind of policy which should be adopted with regard to the methods for replenishing this fund. If this is to be the situation, if we are to have the bright economic outlook that the Minister of Finance forecasts, I suggest to him that he ought to take a second look before imposing for all time this additional contribution from the workers of our country amounting to from 25 per cent to 56 per cent. We do not go lightly about imposing further obligations on our people, particularly those who are in the working groups, the dependent groups, the farmers and the like, without taking into consideration all possible alternative methods of dealing with such situations.

It is a serious matter to add this additional burden on the employee groups of our