

Unemployment Insurance Act

Mr. Benidickson: I do not want to interfere with the hon. member for Vancouver-Kingsway who would have prior rights on the point I am raising. I take it, Mr. Chairman, you have said that the amendment is out of order and that therefore the debate is on the clause. If that is so, I think the hon. member for Vancouver-Kingsway has priority over myself.

Mr. Browne (Vancouver-Kingsway): I thought I was in order in discussing clause 6 because I think this is one of the most important clauses in the bill. I believe that unemployment insurance could not succeed without it. I will refer now to this document and I do not know why other members of this committee who have taken part in this debate—and a number of them were members of the standing committee—have not referred to this particular document, because they were all given these figures.

This is the financial and statistical statement of the unemployment insurance commission dated March 31, 1959, and statement No. 6 is a statement of the actuary outlining why an increased contribution by 30 per cent was necessary. Here is what the statement says. The average yearly expenditure from the fund over the past five years has been \$337 million, while the average yearly revenue for the past five years has been \$259 million. The average yearly shortfall has amounted to \$78 million. I do not know where some hon. members got their figure of \$100 million and so on, but the figure I have given is the amount intended to be raised by these increases.

Mr. Benidickson: The extra is the government's contribution.

Mr. Browne (Vancouver-Kingsway): The average yearly revenue is \$259 million, and if we add 30 per cent, which amounts to \$78 million, this gives us a total of \$337 million, which would balance the income and the outgoings.

Unless this is carried, it is quite evident that the fund could not continue to bear a loss of \$78 million a year. If unemployment insurance is to continue to exist, this clause must necessarily be carried.

Mr. Benidickson: Referring to the concluding remarks of the hon. member for Vancouver-Kingsway that the fund could not long continue on this basis,—he states that as the necessity for this legislation before us—I agree. But I want to say first of all in reply to another hon. member who was serving on our committee, the hon. member for Cape Breton South who indicated that he had received certain representations about this bill from mine workers, steelworkers

[The Chairman.]

and so on in which they seemed to be approving of this measure, that we are a national body here, and all I can do is say that I keep in close touch with some of these labour organizations, as does the hon. member for Essex East, and whether insincerity is charged or otherwise, we read assiduously anything of this nature which comes to our desks, as do all responsible members of parliament. Now in the last issue of the Canadian Congress of Labour news there appeared an excerpt to which I wish to draw the attention of the hon. member for Cape Breton South. I am afraid I cannot give the page number, because this is a blue sheet inserted into the monthly magazine. It says this:

Persons covered by unemployment insurance are being burdened with costs which should be shared by the country as a whole, the Canadian Labour Congress said in a memorandum submitted to the commons industrial relations committee dealing with proposed changes in the Unemployment Insurance Act.

The C.L.C. said that despite substantial increases in contribution rates there was for most groups—

And this is the essence of what we are debating.

—no change of any substance proposed in benefits.

I think that is very important as we pursue this debate. The hon. member for Cape Breton South may have received these representations, but surely they come from bodies subsidiary to the Canadian Congress of Labour, and surely we must show respect, and not disrespect, for evidence which is presented on a national basis to a parliamentary committee which is examining a bill of this kind.

The essence, as I see it when we regard this clause, is whether, either in 1950 or in subsequent years, we as parliamentarians considered our amendments as being in the nature of improvements to an insurance principle; or whether we considered them as being in the nature of improvements to a welfare plan in the interest of the insurance fund; or whether, as I want to suggest to this committee at this time, we are asked to vote for a tax plan, contrary to a welfare plan or an insurance plan in connection with our amendments to this particular section.

In other words, there was from the time of the election of this government utilization of the millions of dollars which were in this fund for the purpose of courting the voter, and did the party opposite not court that electorate by the utilization of the fund available under this statute and the huge amount of money which was available here. In doing this they neglected to take care of the normal welfare relief, as one hon. member mentioned yesterday, and now they tax the labourers