

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I note that the parliamentary secretary from St. Boniface has interjected even before I have uttered my first word. It is nice to see that he is here awake, not sleeping or creating devilment.

I am particularly pleased to participate in this debate following the sound foundation that has been laid by my colleagues, the hon. member for Peace River (Mr. Baldwin) and the hon. member for Yukon (Mr. Nielsen). Theirs has been a significant contribution dealing with the impropriety of the government's actions with respect to unemployment insurance. The arguments presented by those two hon. members will have to be considered seriously by all of us because, in effect, the government is seeking a blank cheque. As a result of the arguments of my colleagues it will be difficult to support Bill C-124 unless it is amended.

I recall the debates in May and June of 1971 when this monstrosity of a bill was first introduced by the government. It was to be a new principle; the government launched a new birth. There was in the legislation an all-embracing principle with regard to unemployment insurance, welfare payments and a guaranteed annual income; as a result, the government became involved in an inextricable mess. I recall distinctly the former minister of labour, always prepared to give of his Irish wit, periodically coming before our committee and offering words of wisdom in trying to sell Bill C-229 which in his words was supposed to contain the best unemployment insurance plan the world had ever known. The only thing he did not say was that it would become a more expensive plan than anybody could possibly dream of.

Some hon. Members: Hear, hear!

Mr. Alexander: He did not tell us that. I say with all fairness, I think the minister tried to speak honestly. I think he came to us with a message, but with all due respect I think he was duped. That is the only way I can put it. I know the minister would not deliberately deceive the friendly member for Hamilton West, the friendly member for Moncton (Mr. Thomas) or the friendly member for Dauphin (Mr. Ritchie). We all worked together over the months in an attempt to develop a scheme that would be best for Canadians.

I think the advice the minister received was wrong. I do not know whether he got it from Statistics Canada, the Department of National Revenue or the economic advisers of the government. They were all totally wrong and they all grossly miscalculated the end results of this scheme. Of course, after the minister discovered that, he was committed to the bill and had to stand behind it. He had no choice; he was trapped. The penalty for remaining true to one's conscience in the long run is that he will sit immediately to the right of the Speaker. All the glory has gone; yet the minister made his mark. In all fairness, he said that the scheme was actuarially sound.

I see the former minister looking at me. If he said that once, he said it five times. I see he is already looking through the record to find out when he said this scheme was actuarially sound. I presume that is what he meant when he raised his hand just now. He staked his seat on this assertion. I did not know what actuarially sound

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meant; I thought he was speaking in terms of insurance principles. The hon. member for Peace River said that actuarially sound meant that as long as the public purse was open, you could dip your hand into it. I do not want to say the hon. member was right in that regard but I think that is the only definition we can arrive at at this time; it is the only definition the Canadian people can arrive at.

Mr. Paproski: There was a lot of hanky-panky.

Mr. Alexander: But that is not all. We tried to determine what was the limit and that is how we reached the figure of \$800 million. Oh yes, those were the good days, Mr. Speaker! We were sure from the evidence we had that the figures the minister was presenting were totally wrong. But oh no; the minister used charm. All the others involved in the scheme, men like Mr. Steel and Mr. Allen—I remember them all—said, "You need not worry." The minister said, "With all the expertise at our disposal, all the statistics, all our wherewithal and ability to make predictions, you need not worry." We were told that even under the worst conditions, if we took into account all variables no matter what they could be the most the fund would have to pay out in government contributions would be \$700 million. I am looking at the President of the Privy Council. He is watching me.

An hon. Member: He is fascinated.

Mr. Alexander: We were told, just to take into account some unfortunate act of God, in case something had been forgotten, that the government would throw in another \$100 million. That is how we arrived at \$800 million. After probing continually, after asking questions continually we were left with the assurance that that was all the government's contribution would amount to. As Your Honour knows, the contributions involve three sectors, the employer, the employee and the government. As far as we are concerned and as far as the Canadian people are concerned, we were talking about \$800 million. I was not naïve in those days although I was a new member. After all, when the minister spoke, considering all the expertise that was available to him who was the member for Hamilton West to say he was wrong? Sooner or later one had to accept the minister's word.

An hon. Member: But there was hanky-panky.

Mr. Alexander: Oh, I knew there was hanky-panky. However, on the basis of what we were told and accepted, and I think we had a right to accept it, we took those figures. We could not do anything else; we did not have anywhere else to go. When we presented our views we were always out of order, always wrong.

Mr. Benjamin: That is true.

Mr. Alexander: We lacked research facilities; we lacked everything necessary to make our position credible.

Mr. Andras: That is your whole problem.

Mr. Alexander: We in the committee bought it all, we in the House of Commons bought it; and the people of Canada bought it, Mr. Speaker, and that is the unfortunate part. The people of Canada were prepared to believe