

*Supply—Labour*

It has been suggested that the commission ought to have borrowed money on the strength of the remaining \$20 million authorized by the estimate passed last year. I thought that this would be entirely inappropriate; that a drawing should be made on the last fiscal year appropriations, for an expenditure in the current fiscal year seemed to me to be inappropriate. Who would be more inclined to criticize the government for taking this course of action when at the same moment supplementary estimates were before the house for consideration than hon. gentlemen opposite?

**Mr. Martin (Timmins):** Would the minister permit a question?

**Mr. Thomas:** Mr. Chairman, there seems to be some confusion concerning the borrowing powers of the unemployment insurance commission.

**Mr. MacEachen:** Mr. Chairman, have I still the floor?

**The Chairman:** The impression of the Chair was that the minister had concluded his statement.

**Mr. MacEachen:** No.

**Mr. Pickersgill:** He was being interrupted.

**Mr. MacEachen:** I yielded the floor to a question from the hon. member for Timmins.

**Mr. Martin (Timmins):** As I understood the minister, \$35 million out of the \$55 million authorized last year had already been borrowed. So that left \$20 million. What is the difference between borrowing the first \$35 million and borrowing the second \$20 million?

**Mr. MacEachen:** The initial \$35 million was borrowed for an expenditure in the fiscal year which ended yesterday. If an additional sum had been borrowed under that authority it would be for an expenditure to be made in the current fiscal year, which I thought would have been quite inappropriate, especially as this committee is examining at this very moment the supplementary estimate which would give the appropriate authority. Therefore I refused to take that course of action and relied on this supplementary estimate to give the proper authority. That is the situation with respect to that particular matter, and I think in that situation we acted properly.

**Mr. Thomas:** Another question in that regard, Mr. Chairman, if the minister will permit, is this. Are we to understand from this discussion that the House of Commons should hold a midnight session on March 31 each year in order to fix up the powers of the unemployment insurance commission to

[Mr. MacEachen.]

borrow? We need the money today. We could not borrow it yesterday. Therefore it seems to me that midnight on March 31 would be a suitable time to hold a special session each year in order to vote this authority.

**Mr. MacEachen:** Mr. Chairman, the suggestion to sit tonight to deal with this particular item was made by the hon. member for Winnipeg North Centre. The government was delighted to accede to the suggestion because it was evident to us that this item had to be passed.

**Mr. MacInnis:** Will the minister permit a question?

**Mr. MacEachen:** I do not mind answering questions, but I should like to complete my statement, such as it is. Then, if hon. members wish to ask questions I will be glad to answer them.

I believe the hon. member for Timmins asked about the fact that the fund this year had dropped \$14 million. At the beginning of the fiscal year there was a balance in the fund of some \$9 million. The estimated debit balance at the end of this fiscal year is something like \$4 million, so that the drop in the fund this year totals some \$14 million. We are still in a position, despite the balance, as I have stated in the fund, that we will be able to make payments because of certain cheques that have been issued that have not yet been drawn down. This was rather a mystery to me, but it was cleared up in consultation with the commission.

Hon. gentlemen opposite suggested in their statements that the use of the word "today" in my answer of yesterday indicated that I had just learned at that moment of the condition of the fund. The fact is I used that expression because I had been talking to the commissioner and the director of the insurance branch just before I came into the house for orders of the day. It was most natural that I would use that expression because I had received recent information from those gentlemen in my office.

I can assure the hon. member for Winnipeg North Centre that, given the passage of this supplementary item and royal assent this week, I trust by tomorrow or Friday, of this particular item, there will be sufficient funds for the payment of benefits from the treasury officers of the commission on Monday of next week. In the light of that fact, potential recipients need not be concerned about the possibility of not receiving benefits.

Last session there was some discussion concerning the Gill committee report. The intention of the government, as stated by the Prime Minister, given parliamentary time is to proceed with action this session on the Gill