

Supply—Labour

six weeks and then tabled it in the dying hours of the last day before we adjourned at Christmas time, in December, 1960.

The speech from the throne in November, 1960, indicated that the government would bring in some amendments to the Unemployment Insurance Act, and on various occasions in 1959, 1960 and 1961, we in the opposition warned the government about the serious situation in the unemployment insurance fund. We knew the losses they were taking because of bad investments and we also knew, and brought it to the attention of the government, that they were paying out much more than they were taking in. The government, however, did not have any ideas of their own to incorporate into amendments to restore the fund to a healthy state.

What have they done? They have appointed a royal commission to take the heat off, and they did just the same thing in connection with their fiscal and monetary policy when they appointed a royal commission. The composition of these two commissions, no matter how distinguished they may be, can only come up with one answer, one finding, and that is that you cannot spend more than you take in, unless you go broke. This is a basic truth which we have been bringing to the attention of the government ever since they came to power. Now they have two expensive royal commissions to tell them that truth.

The trouble with both royal commissions is that they are about three or four years too late. The funds have disappeared and they are called on to act as caretakers or advisers for bankrupt funds. The appointment of the royal commission in connection with this fund as well as other funds has just put off the day of reckoning, the day when the government have to account to the people for funds now bankrupt that were formerly healthy.

The Liberal government set up the unemployment insurance fund and saw it grow to a total of \$928 million. To do that they did not have to appoint a royal commission, but this government want a royal commission to help them get back on the right track. However the government must look deeper than this fund. They must put people back to work and keep them at work.

There has been gross mismanagement of the fund. I know working people who have been paying into the fund ever since it came into existence nearly 20 years ago. They helped to build up the fund. Now they have to help replenish it through their taxes, and later they will have to pay higher contributions to put the fund in a healthy state again and make it solvent. I say the working people

of Canada have been taken for a ride and I hope this \$25 million will not be used in the coming election to help buy the electorate.

I know that before the last federal election it was much easier to qualify for benefits under the Unemployment Insurance Act than it was afterwards, and I brought that up in the house. I also said in this chamber that I have heard of some people who were notified by one unemployment insurance office to go and get their cheques after they had been on a pension for some time. I take exception to this mismanagement of the fund. I do not think there should be any relaxation of the rules before an election. But, certainly it was much easier before the last election. Many people do say that it was much easier to qualify before the last election on March 28, 1958, than it was afterwards.

Mr. Campbell (Stormont): Would the hon. member permit a question? Does he not know that the unemployment in Cornwall has been caused by difficulties in the textile industry, and that the efforts of this government to relieve that industry have been frustrated by the Liberal Senate? Does he not know that the other cause of unemployment is the fact that the seaway locks were constructed on the United States side of the river?

Mr. Pickersgill: Who has been in office for the last five years?

An hon. Member: No one.

Mr. Pickersgill: No one, as my hon. friend from Trinity says.

Mr. McMillan: I have heard of some of the actions taken by this government to help unemployment but I do not think they will help Cornwall or any other place in Canada. I do not know what has caused the present conditions in Cornwall, but the hon. member seems very active and I think he should get up in the house once in a while to try and influence his government in connection with unemployment. I have not heard him do that yet.

Mr. Campbell (Stormont): Does the hon. member not approve of the spending of more than \$500,000 on a harbour in Cornwall to provide jobs, in replacement of those lost to the Americans? Does he not approve of the spending of more than \$1.5 million on technical schools in Cornwall? Does he not regard that as desirable?

Mr. McMillan: I do not want to get into a debate with the hon. member from Stormont. I do not know how much has been spent on the harbour in Cornwall. But if you spend money on harbours you must also get the plants to locate there. I do not know