

talking about plus or minus \$24 million on \$240 million as being the sort of range they feel is right. Actuarially, they cannot get more accurate than that, and we have taken the mid-point, of course.

On our other estimates for unemployment we have in fact recently verified our figures through another model, using an entirely different approach based on what is happening now and based on the assumption that the warrants, the size of the warrants and so on are related to the unemployment rate. That estimate is within 5 per cent of our original estimate in the Facts and Figures.

I do not think either Mr. Cross or the person who wrote that telegram realized that we are presently paying out at the rate of \$900 million a year under the present scheme, if you include the administration costs and 10 per cent supplement. We expect that rate of pay-out to increase to about \$1.1 billion next year with the higher benefits rates but off-set by a certain amount which will be saved through private sickness plans.

I received a letter from Mr. Cross recently in which he compares this to what we paid in 1970, which was a 5.5 per cent unemployment year in which, of course, the average benefit rates were very much lower. He confuses the 1970 payments with the figures we have given him which are for 1972. We have those figures to the parliamentary committee, because we felt that 1972 was very much more representative than going back to 1968 say. The figures would be lower but they would not mean that much because really what we are all looking at in

terms of the validity of the estimates is what is going to happen in 1972—not what happened in 1968.

Senator Smith: Mr. Chairman, in view of Senator John M. Macdonald's speech in the Senate chamber, and the full discussion we have had this morning, I move that we report the bill without amendment.

The Acting Chairman: Is it agreed that we report Bill C-229 without amendment?

Hon. Senators: Agreed.

The Acting Chairman: Is it also agreed that the explanation we have had today is adequate and that there is no need to call outside witnesses in accordance with the suggestion of the telegram we received?

Hon. Senators: Agreed.

Senator Smith: We can send them a copy of the record of today's proceedings.

Senator Connolly (Ottawa West): Mr. Chairman, we are very indebted to Mr. DesRoches, Mr. Steele and the other officials here for their fine explanation of this complex matter.

The Acting Chairman: That is true, Mr. DesRoches. On behalf of the committee, I wish to thank you very much.

The committee adjourned.

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