

*Supply—Labour*

**Mr. Webb:** Quite a number. I would also like, sir, to ask the minister whether he, his department or the unemployment insurance commission have at any time issued a directive to the officers to disallow any doubtful claims or claims which might be disallowed on any grounds at all. I should like the minister to answer this question, because it seems very obvious to me that this directive has gone out. Day by day we hear that unemployment is dropping, and is dropping rapidly. I ask then, sir, what is the reason that time and again I see in the newspapers that the staffs in the unemployment insurance offices have been increased? These are questions I should like to ask the minister.

**Mr. Peters:** Mr. Chairman, I should like to say something in this connection because I am probably as confused as the Canadian public are going to be. There appears to be a doubt—and I hope the minister can clear this up—as to what money we need and whether there was any reason for requesting this special sitting tonight, and also whether the government is prepared to bring in an appropriation bill covering this \$1 and ask us to pass it tonight so that the fund may be supplemented.

**Mr. Pickersgill:** How ridiculous.

**Mr. Peters:** Well, it is ridiculous for us to be here if we do not know whether it is necessary. It was not ridiculous for the Minister of Transport to try to make a deal to have four or five items passed which obviously we shall have to discuss under a separate appropriation bill. I am wondering whether it is necessary for us to be here, Mr. Chairman, and I cannot see much merit in our doing this to satisfy the Senate before they decide to go home.

Last year the minister said that the depletion in the fund amounted to \$14 million, but we did have the borrowing power, by statute, through a previous supplementary estimate, to raise \$55 million. I am not sure, and I do not know whether hon. members know if we borrowed that \$55 million. If we did, this amount would be added to the \$14 million by which the fund was depleted, which would make a total cost last year of \$69 million in connection with unemployment insurance. I do not know whether this is true and I do not think the country knows yet. Perhaps we are going to find out. I imagine the minister would have had an obligation to borrow money some time ago when he saw the fund going down to the breaking point, when we had spent \$14 million, in view of the fact that the authority to raise more money had already been granted by parliament for that year.

[Mr. Webb.]

The minister said that it would not be fair to borrow from the \$55 million the day before the end of the fiscal year. However, as I understand it we have already spent \$14 million and at least that amount of money would be a legitimate charge against the \$55 million that we have already O.K.'d. I think these are matters which should be given serious consideration. There are other matters in connection with the unemployment insurance fund that I should like to discuss, and will discuss on this estimate; but I think we should know exactly what we are doing in relation to this extension of the power to raise another \$55 million. If the \$55 million was raised last year, I think we should know about this. If the \$14 million was spent, I think a good question to ask is why we have not raised at least \$15 million out of the borrowing power we already have. It seems very foolish to me to go within a week of a deadline before doing something to put more money into the fund. Knowing something about the operation of the fund and the payments from local offices, I know it is sometimes difficult to get the money from the bank to the local unemployment insurance office. I would therefore think that if there was no money at all in the fund at the end of March we should now be prepared to pass an appropriation bill for this statutory item of \$1 so that the fund may be replenished—not a week from now but tonight or tomorrow morning at the latest. I think the minister owes us a complete explanation of just what are the borrowing requirements; how much he is prepared to borrow; how soon he has to borrow it, and how much money is still in the revolving fund with which the unemployment insurance offices operate.

**Mr. MacEachen:** Mr. Chairman, I shall be glad to try and deal with some of the questions that have been raised by my hon. friend from Timiskaming. However, before doing so I should like to deal with the suggestion that there has been any concealment as to the state of the unemployment insurance fund. The hon. member for Winnipeg South Centre, in the characteristic fashion to which we have become accustomed in this house, has suggested that there has been some deliberate effort to conceal the fact that this sum of money was required to replenish the fund. This, of course, is quite untrue. The supplementary estimates were tabled in the House of Commons on March 6. I wonder whether the hon. gentleman read the supplementary estimates.

**Mr. Churchill:** Oh yes, I read them.

**Mr. MacEachen:** I wonder whether the hon. member for Ontario read the supplementary estimate—