

I would refer you now to page 6, where we have set out for you a chart showing the function of each of the divisions of the insurance branch at head office.

I know you will appreciate that our officials in the insurance branch at head office have a responsibility for advising the commission on the operations in the field. These officers must also plan the procedures necessary for the carrying out of the provisions of the act. They must also review these procedures in order to ensure that the most efficient system is in effect in the local offices. This will give you a very hurried description of the insurance branch organization from local office to head office.

I would like to give you now some indication of the volume of insurance work which the commission has done through its organization.

In 1941, the act covered 2,000,000 workers. In the past seventeen years, the number of insured persons has increased to about 4,111,000. Another estimated 1,000,000 persons are recorded as having been in insurable employment at some time and many of them have rights to benefit.

Registered employers have increased from 160,000 in 1941 to slightly over 300,000 at this time. The growth in the number of employers will give you some indication of the increase in work which has fallen upon our audit staffs because of the necessity to maintain control on contributions to the fund. The commission insists upon periodic audits of all those who have insurable employees and for the fiscal year ending March 1958, about 220,000 audits and special investigations were made. In the case of many employers, a visit from the auditor about every eighteen months is now considered to be sufficient. This has not always been the case but with the employers becoming more accustomed to the legislation and because of the field control which has been exercised, the commission has been able to extend the interval of audit to employers with good records.

The increase in the number of insured employees will, of course, give a very definite indication of the increase in the number of records which have to be maintained for benefit purposes. In the past seventeen years, there has been a great increase in the number of claims filed for unemployment insurance benefit. In the fiscal year ending March 31, 1943, the total number of claims filed was 36,000. By 1946 the volume of claims had increased to about 430,000.

In the year 1957-58, claims numbered approximately 2,900,000. This included renewal as well as initial claims. When you are giving consideration to this load expressed in millions of claims, please keep in mind the computation required at regional offices and the careful review and adjudication which must be made in each case.

I would now ask you to refer to the comparative table of estimates and expenditures on page 9. Here we show our estimates and expenditures for the past five years and the money we are requesting for 1958-59. A comparison of total expenditures for the last five years shows an increase in each year. I might say that all figures that I shall mention are to the nearest thousand dollars. Expenditures for 1953-54 amounted to \$57,919,000 and increased to \$70,297,000 for the year 1957-58. The estimates for the coming year, including a supplementary, are \$72,849,000. The increase in actual expenditures is \$12,378,000 and there is a further estimated increase for 1958-59 of \$2,552,000. While this seems to be a fairly substantial increase, it should be noted that \$6,014,000 of the increase in expenditures is accounted for by the government's contribution to the fund. Further, this item also accounts for \$1,664,000 of the increase in the 1958-59 estimates. This is a statutory item and is based on the contributions to the fund made by workers and employers.

I am sure you are more interested in the administration vote as this is a large item and also one that can be controlled. Expenditures for the last five years have increased in total from \$26,097,000 to \$32,444,000 with an