

Mr. MacINNIS: They should refer the claim to the court of referees if it does not come under the conditions for which the officer can disallow.

Mr. MITCHELL: That is the way it is done. I shall be glad to write my hon. friend and tell him the facts.

Mr. NOSEWORTHY: I also have been told that workers are advised by these insurance officers that there would be no point in referring the matter to the referee, that if the case came before the referee it would be disallowed.

Mr. MITCHELL: I will write the hon. member the same letter.

Mr. GILLIS: There is a general and well-founded complaint on that matter, that local officers are usurping the board's authority. Referee boards are set up to avoid discrimination, but the tendency seems to be in the direction of their elimination. That is a general complaint in eastern Canada.

Another matter I wish to bring up is in regard to unemployment insurance deduction made at the source from men who are paid on a daily or weekly basis. There is a complaint, from certain sections of the miners' organizations at least, that they pay unemployment insurance weekly through the whole year; then at the end of the year, when their total earnings are computed, it is found that they have received \$2,000, so that they do not come under the act. But they cannot get any refund of the contributions they made over the entire fifty-two weeks. If they are transferred to another industry they have not a card, regardless of the fact that they have paid unemployment insurance for the whole year. I have written the minister on this, and his answer was that they had had the benefit of the insurance for a year; that had they been unemployed during the year they would come under the act. But the point they make is that at the end of the year if they transfer to another industry they are not in the insurable group.

Another protest I get pretty regularly is that the total load of building up the unemployment insurance fund and maintaining it falls on the back of those in the lower income groups, those earning under \$2,000 a year. They are bearing the burden—of course the government contributes—of building up the fund to take care of unemployment after the war. They contend that that burden should not be placed on that income group alone. They feel that regardless of how high the salary goes, all should be compelled to make their contribution, and if unemployed later

should benefit under the act. Railway workers particularly have another complaint, that in their classification they will never benefit. It may be a selfish point of view; nevertheless it is a complaint from that group. They say that they are continuously employed; they have their superannuation schemes, and there is no question of unemployment in that industry. When they are through working they receive their pension for which they have contributed. They are contributing to the pool without any expectation of ever getting any benefit from it. They suggest that in order that there may be some incentive for railway workers to contribute, a health insurance scheme might be injected into the unemployment insurance plan in order to give them some benefit for the contributions they make.

Mr. ROSS (St. Paul's): I do not agree with the principle of exempting certain industries from contribution to unemployment insurance. Every worker in the country should contribute. You never know who is going to be unemployed; the richest man in the world may be unemployed some day. Take certain industries where there is a very low labour turn-over. The one I have in mind, with which I am connected, is the insurance business. Our labour turn-over is practically nil; yet our employees have to contribute to the unemployment insurance scheme. On the other hand, you find that in such institutions as hospitals, where the turn-over is no greater than ours, the employees do not have to contribute. The principle of the whole thing is an insurance principle, just as I said this afternoon in connection with old age pensions, when I suggested that we should have a contributory old age pension system. We should also have some sort of health insurance for the people of this country. If we do that, we are working on sound principles, but in this case we are excluding some employees and including others, perhaps in industries where the labour turn-over is very small. Yet those employees have to contribute for the benefit of employees in industries where the labour turn-over is high. I think that is right, but everyone in the country should contribute to unemployment insurance, I do not care who he is. I think that is the right principle.

Item agreed to.

108. Advances to workers, \$50,000.

Mr. MacNICOL: A few days ago I had a letter from a young woman in northern Ontario, who stated that she had been offered a position in the Bata shoe factory at Frank-