

this amendment carries it will bring in under the Act approximately 200,000 additional employees.

If this measure is given second reading, it is my intention to move that it be referred to the Committee on Banking and Commerce. At the meeting of that committee any information honourable members require can be furnished. It goes without saying, however, that if any honourable member wishes to ask a question I shall do my best to answer him.

Hon. Mr. DONNELLY: The honourable senator has given a very clear and full explanation of the Bill. In his opening remarks he made one statement to which I should like to refer. I understood him to say that two and a half million employees are now under the Act. That is about twenty-two per cent of the people. In view of the large number of persons too young to come under the Act, the large number of an advanced age who cannot come under it, and the large number in uniform, as well as the many engaged in seasonal occupations, such as farming, fishing and lumbering, who cannot come under it, I am surprised that the number should be two and a half millions. Is that the total number brought under the Act, or are we to understand that at any given time two and a half millions are under it, on an average?

Hon. Mr. HUGESSEN: My information was obtained from the commission. I asked to be furnished with a statement, as close as possible, of the number now under the Act. The answer I received was that it could not give me an accurate figure, but that the total number now under the Act is in excess of two and a quarter millions.

With reference to young people, of course, persons under sixteen do come under this Act if they are employed; and there is a provision that their contribution shall be paid by their employer. I think perhaps another explanation is that the apparently large number—and I agree that it does seem to be a very large number—is the result of the large employment of women that has taken place within the last two years, particularly in war industries.

Hon. Mr. DAVIES: May I ask a question of the honourable gentleman? When this Bill was being revised was the matter of the rate discussed at all? As I understand the honourable senator, the commission has paid out something over a million dollars.

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. DAVIES: And there is an accumulated fund up to date, after the operation of two or three years, of \$131,836,000. Would

that not indicate that the schedule of rates paid is probably too high and might be reduced or graded downwards?

Hon. Mr. HUGESSEN: I think I may give the answer that it does indicate that at the present time we are in a period of very full employment, during which it should be anticipated that the fund would grow very rapidly; but in view of the very uncertain future that will be before the fund when the war comes to an end and all the changes in occupation that will necessarily be involved come about, I would hesitate to suggest that the contributions be reduced. I think the general experience of countries operating unemployment insurance schemes is—and it is only natural—that in periods of heavy unemployment the fund drops very rapidly, whereas in periods of full employment it increases very rapidly. I think I am right in saying that in Great Britain at the present time the unemployment insurance fund amounts to a truly colossal sum after the four years she has been at war, and the full employment which has resulted. It will be recalled, however, that during the period of depression the unemployment insurance fund in Great Britain fell to a very low level, and had to be supplemented by special annual grants, if I remember correctly.

Hon. Mr. DAVIES: The reason I bring up that point is this. You may not know that there is growing up a new attitude among employees regarding all these deductions from their pay envelopes. Nearly every well-conducted business to-day has group sickness insurance and group life insurance. If you add to that unemployment insurance and the very heavy taxation we all pay at the present time, you will see why there is a new attitude growing up on the part of employees regarding all these deductions. Employers are now being asked for a certain net wage in the pay envelope on Saturday night, regardless of deductions.

Hon. Mr. HAIG: The honourable gentleman said there were two and a quarter or two and a half million people employed. What record is kept of a man who comes under the insurance scheme and then joins the army? Is his name struck off, or what happens?

Hon. Mr. HUGESSEN: I cannot answer that question off-hand, but I think there is in the measure a provision that a man who was insured under the Act before he enlisted in the army will be entitled, upon his return from the forces, to any benefits that he had accumulated under the Act.