

*Unemployment Insurance*

of their desire to see an unemployment insurance act placed upon the statutes. The hon. member for Lethbridge (Mr. Blackmore) described the attitude of his group with respect to this particular measure. His description, if I recollect aright, was of its being a sort of stone-wall attitude. He is quite agreeable to support the measure, and I want to thank him for his support, but in doing so may I say that I hope the result will not prove as disastrous as he seems to think it will.

I might perhaps be permitted to say a word or two concerning the attitude of the Liberal party towards unemployment insurance. In so doing I should like to go as far back as the time when I had the honour of being chosen the leader of my party. I refer to the national Liberal convention which was held in 1919. At that convention a resolution was passed endorsing social legislation as part of the Liberal policy.

Mr. HANSON (York-Sunbury): That was only a chart.

Mr. MACKENZIE KING: It was part of a chart, a chart which has been carried out increasingly ever since. At the time it was recognized that there were two matters which would have to be considered carefully in connection with any social legislation. One was the financial position of the dominion and the provinces and the other the all-important question of jurisdiction as between the provinces and the dominion. The resolution passed in 1919 was expressed in the following words:

In so far as it may be practicable, having regard to Canada's financial position, an adequate system of insurance against unemployment, sickness, dependence, old age and other disability should be instituted by the federal government in conjunction with the governments of the several provinces.

When the Liberal administration came into office in 1921 we indicated our hope that while we were in office we might soon be in a position to enact some measure of social insurance. It took time to gain that end. It was a new field for a federal administration to enter. Old age pensions appeared to be the obvious place to begin. It was possible to obtain the cooperation of the provinces for such a measure more readily than for one respecting unemployment, invalidity or health insurance. An old age pensions measure was enacted by the Liberal administration in office in 1927. In 1928 the same administration, continuing in office, invited this house to consider in one of its committees the advisability of following that enactment by one respecting unemployment insurance. The matter was referred to the standing committee on industrial and international relations. That committee made

[Mr. Mackenzie King.]

a report at the end of the session of 1928 to the effect that unemployment insurance was desirable, but the committee recognized the fact that one province could not act alone and recommended further study of the matter. The same committee met in the following year, 1929, and reported, approving the principle but noting the opinion of the Department of Justice that the jurisdiction was provincial, and a report from the Minister of Labour that the provinces had been consulted and most of them were not disposed to act. I have before me the answers given by the different provinces at that time, and they indicate quite clearly that the provinces themselves were not favourable to the enactment of an unemployment insurance measure by the federal government.

In 1933 when in opposition I made a statement to the house of Liberal principles on a number of different matters—that was not the chart; it was the occasion of the fourteen points—and one of the points was that, "As a permanent measure the Liberal party is pledged to introduce policies which will serve to provide employment by revising industry and trade, and to introduce a national system of unemployment insurance.

Then, as my hon. friend the leader of the opposition has said, Mr. Bennett, who was then Prime Minister, introduced in 1935 his bill respecting unemployment insurance." Knowing the position taken by most if not all of the provinces to the effect that an unemployment insurance measure would invade their jurisdiction if enacted as a federal act, we of the opposition of the day felt it necessary to point out to the government that they were seeking to enact, we assumed knowingly, a measure which was not within the competence of this parliament and the validity of which would be questioned immediately if an effort were made to put it into force.

Mr. HANSON (York-Sunbury): If the Prime Minister will allow me, I omitted to say in my remarks—and he will recall that this is correct—that before Mr. Bennett introduced that legislation we had what we considered the best legal opinion in Canada, and not from one source only but from more than one.

Mr. MACKENZIE KING: I recall that certain legal opinion was cited but it was very strongly combated by legal opinion that we on our side regarded as even better, and as events turned out it so proved. At all events what we did suggest was not that the act should not be passed but rather that before any attempts were made to put its provisions into effect, advantage should be