

Unemployment Insurance

On the other hand, in looking after unemployment this government will get the money from contributions under the Unemployment Insurance Act, as they are getting it now. The time has come when we should get away from that idea, and have it made clear beyond possibility of all doubt who is responsible for the employees of those concerns that do not lend themselves to unemployment insurance principles.

I said at the beginning, Mr. Speaker, I regretted that I had to approach this legislation in the critical manner that I have. I am not really criticizing the legislation for what it proposes to do; I am criticizing the government for bringing in a measure of this kind to solve a problem that a measure such as this cannot solve. Apart from that, Mr. Speaker, I shall facilitate the passage of this legislation through the house to the best of my ability.

Mr. F. D. Shaw (Red Deer): Mr. Speaker, this afternoon my colleagues and I listened intently to the statement made in the house by the Acting Minister of Labour. I must confess that it was a bit difficult to hear him upon certain occasions during his remarks, but on the basis of what we thought we heard we are prepared to assert at the moment that we shall find it possible to give our support to the proposed amendments to the Unemployment Insurance Act.

When the Unemployment Insurance Act was brought before the house in 1940 we expressed certain very definite convictions which we held with respect to it. Some of the convictions we held at that time have been referred to by other speakers here today. In 1940 we stressed that we could not for a moment either consider or accept unemployment insurance as a substitute for a balanced economy, wherein our national affairs are managed in such a way as to ensure an opportunity for a decent income to each Canadian. We stressed another point on that occasion, namely that we could foresee a condition such as this arising, where the buoyancy of the national income might not be the same as it has been during the past few years. We emphasized that the employer's share which he contributes toward the unemployment insurance fund reduces his current purchasing power by that amount. Moreover the contribution paid by the employer is in many, probably in most instances charged in the price of the commodities he sells to the employee. Thus it reduces the value of his dollar by that amount.

In the third place, we stressed that the government's contribution is derived from

[Mr. MacInnis.]

taxation, most of which is taken from the pockets of employees. So, in the final analysis the employee pays the whole shot. If times are not reasonably buoyant and if his income is fairly low we can see that the act itself, by virtue of its operation, could make his lot an extremely difficult one.

We pointed out, too, that if we are faced at any time with an abnormally large body of unemployed, this fund could be rapidly depleted. That would simply mean that the government would be setting in operation a glorified form of dole, which it would not be obliged to call relief, and which therefore politically could be considered as better than a straight relief program.

We also took exception to certain sections of the act, such as those which stated that if a man paid over a long period of time, and then became unemployed as a consequence of becoming unemployable, he had no recourse whatsoever to the fund for assistance. We stated further that we doubted the wisdom of that section in the act which gave the board, or whatever the body is called, the right to ship a man, forcibly if necessary, from one part of the country to another.

Further we could not see a great deal of reason in that section wherein an employer, if firing an employee, would put him in a position where—and this has happened in many instances—he would not be able to procure benefits under the act. I am not suggesting for one moment that all such persons should; but certainly I know of a number of instances where such employees should have had the benefit of the doubt.

What I have said does not mean that we are opposed to the Unemployment Insurance Act. I hope it will be understood however that I am re-emphasizing what I said at the commencement of my remarks, namely that we cannot accept unemployment insurance in any form as a substitute for a balanced economy, wherein our national affairs are managed in such a way as to ensure our people of an opportunity for a decent standard of income.

I entered the House of Commons in 1940, after the election in March of that year. After entering the house I was chagrined to find that much of our discussion still centred around such subjects as one will find listed in the index to *Hansard* for that year. These include unemployment and agricultural relief, unemployment relief and assistance, agricultural aid, relief legislation and homeless transient men.

After all, we had been at war for nine months, but we were still faced with a serious unemployment problem within our