

Unemployment Insurance

been greater than 10 per cent of the working force. That would have been high enough to deplete the fund. In five of these years unemployment was very serious, rising to over 21 per cent in 1931, and to a figure as high as 26 per cent in certain months of 1933, a condition that would deplete any unemployment insurance fund. While no one wishes to contemplate a recurrence of unemployment on that scale, it is only sound to make provision for an unemployment insurance fund based on past experience.

Of course we do not want to contemplate unemployment on the scale on which we had it in the 1930's. But if we have the same conditions as prevailed in the 1930's, or if we have the conditions that prevailed in the 1920's out of which developed the conditions of the 1930's, then we shall contemplate it or we shall face unprepared the conditions that we then faced; and we are not going to meet them with a measure such as this.

A realization of the present situation could have been obtained by careful attention to the developing unemployment during the last two years, and a perusal of the budget speeches of the Minister of Finance (Mr. Abbott), when he was consistently and continually drawing attention to the fact that, despite the large financial resources that were in the hands of the people at the end of the war, by 1947 these had been practically used up and people were not only using their current earnings but were going into debt.

These are things that the government should be aware of, and should have in mind, when bringing in legislation of this kind for the approval of parliament. During the second session of 1949 I put certain questions regarding unemployment on the order paper, and received answers from the Department of Labour. In my first question I asked for the number of persons receiving unemployment insurance in the months of September and October, 1948, and the number receiving unemployment insurance in the same months of 1949. Here are the figures:

	1948	1949
September	44,761	83,525
October	55,384	105,064

My next question was how many persons made application for unemployment insurance in the same two months of 1948 and 1949. Here is the answer:

	1948	1949
September	28,143	51,935
October	38,104	69,349

Surely the government could see the trend. That growing unemployment was not a result of conditions of weather; that it was the result of declining employment at a time when employment is normally at its peak.

In my last question I asked the number of unplaced applicants registered in 1948 and

1949. The information I received is as follows: October, 1948, 101,622; October, 1949, 156,106. In view of these facts, the government should be bringing before this House of Commons a measure to provide employment. It is employment that the workers of Canada want. They know already by experience, and indeed by experience over many years, what kind of subsistence doles and even unemployment insurance will provide. Let us take cognizance of the fact, and keep it always in our minds, that unemployment insurance is a device to carry workers over short periods of unemployment, that is, from the time they lose one job until they find another. It is not supposed to be something to carry them over a long period of time.

There is one other thing that we should ask of this government, and it is not something that should have been left until now. I think there has been too much higgling between the dominion government and the provinces as to whose responsibility it is to care for the employable unemployed. I claim that the full responsibility for all the employable unemployed in Canada rests on the federal government. I have a logical, and I believe a legal and constitutional, basis for that assertion.

The hon. member for Peel (Mr. Graydon) mentioned the Unemployment Insurance Act that was passed in 1935. That act was referred to the courts by the government that followed the government of Mr. Bennett. It was declared ultra vires the powers of the federal government. Then in 1940 the federal government asked for an amendment to the British North America Act. The amendment to the British North America Act was to make unemployment insurance one of the matters that came exclusively under the jurisdiction of the federal authorities, as enumerated in section 91 of the British North America Act. That means that either the federal government is responsible for all of the employable unemployed or it means, that the federal government says it will take care of those who can be actuarially insured by contributions of the employee and the employer and a small contribution by the government; and the provinces must take care of those who cannot be insured under such conditions. The thing is just absolute nonsense. The provinces are debarred from going into the unemployment insurance field; and consequently if we insist that there is any responsibility at all on the provinces for unemployment we must say that they will provide the money out of the consolidated revenue fund of the provinces. I do not see any other way by which they can provide it.