

the speech of the hon. member who introduced the motion, but I am satisfied that any scheme he would advocate would be contributory.

Mr. MANION: It so states in the resolution.

Mr. MacNICOL: In reference to the act passed by the preceding government, and in view of the unemployment which again grew to large proportions in the early months of 1938, I wish to read from an editorial in the *Toronto Telegram* of January 24, which describes the situation as fittingly and truly as it has ever been depicted:

It was a grave misfortune for Canada that the unemployment insurance act passed by parliament in 1935 should have fallen a victim, first, to political jealousy, and later to an adverse court decision upon its constitutionality, because it is in times of increasing industrial activity and employment such as occurred in the last two years—

That is in 1936 and 1937.

—that a strong fund must be collected to meet the calls which arise when depressions strike and workmen lose their jobs.

That editorial tells the true picture. The reason that an unemployment insurance act is not in operation in this country to-day is, I am convinced, political jealousy. The result is that we are back to-day to where we were around 1928 or 1929 when the hon. member for Winnipeg North introduced his first unemployment insurance resolution.

Let me give a brief history of the origin of unemployment insurance. There is nothing new about it, because for decades prior to 1911, in fact in the early part of the nineteenth century, the great labour organizations first began to provide for what was known at that time as unemployment benefits, and from that day they gradually improved upon the principle of providing unemployment benefits. At the same time many great manufacturing concerns began to take up the question, and eventually they themselves adopted a system of out-of-work or unemployment benefits. I have read the story of the great F. I. A. T., works in Italy, the Sandvick steel works in Sweden, the Zeiss works in Germany and the Phillips works in Holland. All these companies had, for years prior to the operation of unemployment insurance proper, their own out-of-work benefit plans that worked satisfactorily. But in 1911 the British government got right down to business and in enacting an unemployment insurance law they had all the experience of the great labour organizations, the large business concerns and the out-of-work benefit societies that had been operating prior to that time. The quantity of data and material that had been accumulated in

[Mr. MacNicol.]

those previous years was of great assistance to the British government in enacting the first unemployment insurance scheme adopted by any government.

I am going to touch upon the British unemployment insurance act later on, but I might say at this stage that a number of other nations followed in the wake of what the British government had done. The British government are usually first in all these matters, and in 1911 they passed their act. Austria passed theirs in 1920, Queensland, Australia, in 1922, and Russia in 1922, although I do not believe it is operating now. Italy passed an act in 1923, Poland in 1924, seventeen of the twenty-seven or twenty-eight cantons of Switzerland in 1924, Bulgaria in 1925, and Germany in 1927. All these acts were contributory and compulsory. A number of other nations adopted non-compulsory acts, but as that is not in the line of my argument I will not take up time enumerating the nations that passed such acts.

There are two different governmental situations to consider in the adoption of an unemployment insurance act. First of all there is the state like Great Britain in which there is only one government for the entire country. That applies also to France, Belgium and a number of other European states. Then there is the federal state, illustrated by Germany, Switzerland, Canada and the United States. It is quite obvious that states with single governments, such as Great Britain, can approach a subject of this kind more quickly and effectively than a federal government can, and it is very largely for that reason, I suppose, that Switzerland and Germany, that adopted unemployment insurance, though perhaps not to the same extent as Great Britain, were later than Great Britain in passing legislation. The United States, where the situation is pretty much as it is in Canada, the individual states being largely sovereign, as the provinces are in this dominion, was still later in adopting an unemployment insurance act; and Canada has not yet passed a measure other than the one which was thrown out by the privy council.

I have made a thorough investigation into the operations of the unemployment insurance act in the old land. In London there are forty unemployment offices. There are two main unemployment offices, one in what is known as "the city" and the other at Pentonville in the northeast end of the city. It was to the latter, I believe, that I went when I was last in London. I wish to describe what I saw there. In the old land the employment office and the unemployment office are operated from the same centre, and it should be the