

has been director of research for the industrial relations counsellors of New York, and has taken an active part in building up the New York administration under the Social Security Act of the United States. In a book published by him a very few weeks ago there is an excellent summary of the advantages and disadvantages of the United States scheme of federal subsidies to state systems of unemployment insurance. I have simply taken from that summary a number of his objections to the United States system, which I believed had special application to our situation in Canada. Those objections are:

The federal-state system—

Mind you, that is what has been impressed upon us as a government to-night by some speakers as an alternative to the method we are seeking to follow:

—offers no solution for the difficult problem of the proper compensation of employees who move from state to state.

The federal-state system will probably preclude the establishment of a satisfactory central system of records; it will not yield uniform national statistics of the insured unemployed and will tend to retard labour mobility between the states.

The Social Security Act does not take into sufficient account the calibre of the personnel in states without civil service. The federal policy no matter how well planned will be difficult of application through the state agencies, since they are only indirectly responsible to federal authority. Many of them operate under the patronage system and pay salaries inadequate to attract and retain a sufficient number of executives and technical assistants of the quality required.

An elaborate, inflexible and costly unemployment compensation organization has been established, consisting of fifty-one separate administrations and overheads in the different states, territories, and the District of Columbia, and superimposed on these systems, a federal organization at Washington and twelve regional offices.

That, I submit, is a most formidable indictment of the present set-up of unemployment insurance in the United States.

Mr. HEAPS: Was it not a case of accepting it in this form or nothing at all?

Mr. ROGERS: I am not so sure as to that. My hon. friend may have greater gifts of clairvoyance than I have.

I should like to come to the final objection written by Doctor Stewart:

The most serious defects of the American plan of unemployment compensation are inherent in the federal-state system and in the tax-offset method, and—

I point this out to my hon. friend.

—until these give way to a national system supported by federal taxes, as they inevitably must, injustices, irregularities and confusion will persist.

I should like to carry the argument a point further. It seems to be assumed that the

other provinces of Canada which have consented to the dominion assuming jurisdiction over unemployment insurance would themselves be ready with federal assistance to set up separate provincial schemes of unemployment insurance. There is no warrant whatever for that assumption. The six provinces that gave consent to a national scheme of unemployment insurance did so with the understanding that thereby the dominion was taking over from them a considerable portion of the unemployment burden. But under any scheme of federal subsidies to provincial systems of unemployment insurance I suggest that, at the very least, the costs of administration and of state contribution would have to be divided. Those provinces could not reasonably expect that this dominion would finance entirely the provincial schemes of unemployment insurance. Therefore I think we are justified in saying that there is no warrant whatever for the belief that if we were not able to proceed at this time with a national scheme of unemployment insurance, the alternative suggested by other hon. members, in imitation of the United States Social Security Act, would actually be feasible in this country.

So far as the future is concerned—and I speak now of the immediate future—I have already expressed my hope that a greater understanding of the necessity of unemployment insurance as a part of our equipment to deal with economic insecurity will lead those provinces that until now have declined to give us their cooperation, to alter their view and give us that cooperation which will permit us to go forward as we have been ready to do since more than a year ago.

Premier Duplessis—I regret to say—suggested to a labour delegation a few days ago that the federal government was not sincere in this matter. I should like to say from my place in this house that we have been sincere; that from the moment the decision was taken to seek the cooperation of the provinces the whole record proves our sincerity. We brought from Geneva an expert on unemployment insurance to assist us in drafting a bill, and the bill has now been drafted—

Mr. LAPOINTE (Quebec East): Hear, hear.

Mr. ROGERS: —and can be introduced into this house as soon as we have received from Westminster the power to introduce that legislation and have it declared valid in the courts.

Mr. NEILL: Might I ask the nature of that bill? Is it a bill to present to the British parliament, or is it a bill directly—?