

led up to the point at which we find our country to-day. Then we should consider the legislation that has been introduced by which the state has stepped in and interfered with the laissez-faire system that prevailed in the early days, along the lines of which I have already fully spoken. We have the various factory acts, the Workmen's Compensation acts, the fair wages acts, the minimum wages acts, and so on. Coming right down to more recent days we have the Versailles treaty itself and the advance which was made by the spirit behind the provisions included in that treaty. Then we have the introduction over the years of the unemployment benefits of the brotherhoods and unions and their extension throughout the various labour unions of the old country and our own country. Then the logical step that followed was the demand for national unemployment insurance, already introduced in the old country and included in the activities of some industries in this country on a voluntary basis. So we have come step by step to the point where to-day there is on the part of the general public, both employers and employees, a readiness to demand some system of unemployment insurance.

One hon. gentleman deplored the use of the word "palliative," and perhaps it is not well for me to repeat it. Yet we must remember that when unemployment insurance is introduced those representing labour should be the first to insist that it is a palliative, that it is not an absolute cure for unemployment. I think it is well for our people in general to recognize that this is one step further forward on behalf of labour. What is the ideal towards which all these movements have been progressing? I would say it is that workmen shall be placed, by means of their earnings during their years of work, in a position to be self-supporting when they have to quit work. Unemployment insurance is one step towards that ideal. It is easily seen that it is a demand upon industry, and is not a light demand. There is no question in my mind that unemployment remains as a problem for industry in our country. As I see it, industry step by step will have to organize and adjust itself to face its responsibility in respect of unemployment, and I am sure that steps will be taken by industry without complaint to contribute to the solution of this great problem.

In general, then, what are the requisites of a good unemployment insurance system? I shall hurry along without going into the matter at length. My first thought is that it should be insurance. Anything that includes the relief problem of our country as part of unemployment insurance legislation will be a

[Mr. Stanley.]

mistake. There must be a clear-cut division between the problem of relief for those who require help, and the problem of those employed in industry who pay their contribution on an insurance basis. Unemployment insurance is the insurance of benefits to be granted to those who come under insurance contracts.

My second thought is that it must be a contributory system. Occasionally I read addresses on unemployment insurance, in fact some addresses given in this house, in which there is a tendency to dodge the question whether one is in favour of the contributory system or the non-contributory system. It must be one or the other; it cannot be both and be a success. As far as I see it, it must be a contributory system whereby employers and employees will each contribute their share.

The next thought that occurs to me is that when it is organized and when classifications are taken under the scheme it must be all-embracing and compulsory as far as those engaged in those classifications are concerned. It can readily be seen that if it be left optional on the part of the workman as to whether he shall or shall not be included, the scheme would secure too many bad risks and not enough good risks; consequently its purpose would be defeated.

The next point is that the scheme should be national; I dealt with that at the beginning of my remarks and shall not enlarge upon it.

Next it should be as nearly universal as possible in regard to the various classifications. No one realizes better than those hon. members who are directly connected with the labour interests of this country that in its initial stages an unemployment insurance scheme cannot take in more than a certain number of classifications. In England there has been a gradual development of the scheme until to-day almost all the various classifications have been included. Canada is a different country; it is widespread; the workmen are not so fixed in their locations; they are more mobile, and consequently many difficulties are presented. Of course I need not enlarge upon those.

Then I would say that the scheme should be one that will take every precaution against encouraging indolence. I have marked here in my notes "anti-indolent" and as far as I can see that is one of the most important points which a government or governments introducing legislation of this kind will have to consider. If a contributory system of unemployment insurance is so lax that it