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(IAN MACKENZIE)

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MEMORANDUM

C231981

1. The draft Bill follows very closely Mr. Bennett's Bill of 1935. The chief variations are -
- (a) Larger benefits for women and minors.
 - (b) The right to insist upon a training course.
 - (c) Elimination of any reference to Health Insurance.

Benefits are to follow the English plan of a flat sum per week or per day, no matter where the insured workman resides and no matter what his earnings may have been. In the United States where Unemployment Compensation (as it is called) has been adopted in almost every State, the principle of graduating the benefits in proportion to the earnings of the applicant has been followed very generally. There is evidently a pronounced feeling among the Labour Department Staff that the advantages of a graduated scale of benefits should be seriously considered before the Government commits itself to the scheme embodied in the present draft Bill. The following are some superficial arguments pro and con.

- (a) The present Bill is the work of an actuarial expert. It may be questioned whether time remains to adopt a scale of graduated benefits which would be equally sound from an actuarial or financial standpoint.