

result of some dominion action, namely by parliament or by the governor in council, the "condition" would be the dominion action. The insurance conditions and the levy would be provided for by the provincial legislatures, while the dominion, in addition to bringing the nine provincial statutes into force on a given date, would establish a central commission and would provide funds for administrative expenses. All the objections which I have submitted to the other modes of operation apply also to this one; and I am afraid, and it is also the view of the officers of the crown, that there would be danger in respect of constitutionality which would not justify the parliament of Canada in entering, before being sure of its validity, upon a big undertaking which would cost millions of money.

I have spoken only of the legal side. There are also practical objections which I desire to mention.

1. You would have to get the concurrence of nine legislatures each of which will, quite properly, have its own ideas, influenced by local requirements, as to the proper provisions of an unemployment insurance act.

2. You must hold this concurrence through the difficult first years of the application of the act, when, by practice and experience, amendments will be found desirable; and then you would have to have in each case the consent of every one of the nine legislatures before proposing these amendments.

3. You must persuade nine provinces to submit to administration by a body which is not responsible to them.

4. The necessary levy to provide insurance benefits must be imposed on the clear understanding that the funds raised thereby and turned over to the commission are to be utilized to pay benefits throughout Canada. The result might be, for example, that Quebec contributions would, in certain circumstances, be utilized to pay benefits outside Quebec.

The final and the most important objection of all is that there is nothing to prevent one or two or three provinces from withdrawing from the scheme and then the whole undertaking would be compromised.

I believe I have sufficiently shown that we cannot proceed to introduce a bill to establish unemployment insurance in Canada without resorting to the application for an amendment, which is a very simple one, to the British North America Act, and to which now fortunately all the provinces agree, so that this parliament shall be invested with full power; then the bill will be introduced.

Hon. R. B. HANSON (Leader of the Opposition): Mr. Speaker, the subject matter of unemployment insurance is one which has engaged, more or less spasmodically, the attention of this house since I first entered it. The Prime Minister (Mr. Mackenzie King) on more than one occasion since 1921 and 1930 promised this legislation. There was always, of course, the constitutional difficulty. In 1930, when the government of the Right Hon. R. B. Bennett came into power, it was so obsessed with the necessity of keeping this country on an even keel economically that, while we believed in the principle of unemployment insurance, it was not possible to proceed with the legislation at the beginning of that parliament. I have always thought that it was a great pity, from the standpoint of the wage earners of this country, to whom such an act would have been applicable in those bad years of our history, that such a measure was not put on the statute book by the Prime Minister when he first made his pronouncement in the twenties in regard thereto.

However, whatever may have been the reasons which prevented him from acting upon his undertaking to the country, he did not proceed with any such legislation, and this country and the wage earners of the country were without the benefits of unemployment insurance through the most trying period in our economic history. That is why I said not long ago that we were many years too late with respect to this social legislation.

In 1934-35 the government of the day did introduce legislation looking towards national unemployment insurance, and it was enacted into law, but not without the most vociferous opposition from gentlemen opposite, at that time sitting here, that I have ever experienced, on the plea that we had not the authority to do it. That bill was based on the theory of the treaty-making power under the British North America Act, and it was also based on the further powers that are recited in the preamble to the bill. I recall having had something to do with the preparation of that preamble, and I have always thought that if the legislation had been attacked, not by way of a stated case or reference, as was done by the government of my right hon. friend, but in a concrete case raising specifically the question involved in the reference, the result might have been different. I have no doubt in the world that if you want to get a correct solution of the problem of constitutionality the least likely method of obtaining a proper decision is that followed by hon. gentlemen opposite. However, the government of the day was defeated and went out of office, and in accordance with pledges made to the people