

upon the Federal government the advisability of deferring further consideration of the proposal until the report of the Royal Commission on Dominion-Provincial Relations had been submitted.

Decision not to proceed in 1938

In view of the attitude of these three provinces the government decided not to attempt to proceed at that time with the proposed amendment. While we made it perfectly clear to the House of Commons on more than one occasion that we had not abandoned the policy of establishing unemployment insurance on a national scale, we were not prepared at that time, particularly in view of the state of international relations and the desirability of avoiding domestic dissension, to proceed with a course which might have been interpreted as an attempt to coerce the provinces.

Reasons for revival of proposal in 1940

The government decided that the proposal to amend the British North America Act should be revived because, as I explained in my letters to the Premiers of the