

*Unemployment Insurance*

the moment, however, I find that delay in making appointments to the staff has brought the work of the commission practically to a state of suspension and would therefore welcome a statement at your convenience as to the future of this commission which will enable me to reply to the questions submitted by the chairman of the civil service commission.

Yours faithfully,

G. S. Harrington.

Right Honourable W. L. Mackenzie King,  
C.M.G.,  
Prime Minister of Canada,  
Ottawa, Canada.

That was a decent letter from one gentleman to another, and it was never acknowledged so far as the file shows, and I assume that the file is correct. Apparently there must have been some oral communication between the Prime Minister or his secretary and the chief commissioner, but no acknowledgment of that letter was ever given, and especially the last part of it, which I think in all fairness and justice requires some answer.

The chief commissioner and the other two commissioners stayed on in Ottawa during the months of November, December and well into January. Nothing was heard from the Prime Minister with regard to the matter, except, as I suggest, by inference from the correspondence that there had been a verbal communication between the Prime Minister's secretary or himself and Mr. Harrington, with an indication that the matter would be taken up at a later date and discussed. Nothing was done.

On January 21, 1936, Mr. Harrington addressed a further letter to the Prime Minister which I propose to put on the record. He says:

You will remember my letter of last November which set out matters affecting the employment and social insurance commission to that date and inquiring as to the commission's future. It was your wish then that as you were leaving the city the affairs of this commission should stand until after your return when you would discuss them with me.

It is a fair inference from that statement that there was some verbal discussion with the Prime Minister and an understanding that as he was leaving the city he would take these matters up on his return.

It was my desire in my former letter to give you a summary of the situation and to make clear that not only would the creation of an organization necessary to carry out the provisions of the Employment and Social Insurance Act be an extensive and intricate piece of work but the administration of the scheme afterwards would be at all times exacting.

Since the government assumed office in October last no member of it has communicated with this commission concerning the matters confided to us by the statute. The government's course of action and statements relative to this commission have been taken and made without any reference to or inquiry of us.

[Mr. R. B. Hanson.]

I hope the house will note that statement.

When departments of government were requested to draft estimates of expenditure for the coming fiscal year this commission was not notified to do so.

That seems to me to have been a matter of discourtesy.

The solicitors preparing the case for the validity of our act did so without consultation or contact with us.

That is a serious statement. Why was Mr. Harrington, himself an outstanding member of the Nova Scotia bar, never consulted as to the constitutionality of this act so that a fair statement of the position might be put up to the courts? I would ask the Prime Minister to answer that question.

In short, there has been a complete absence of intercourse between the government and this commission, while at the same time government statements given the press have intimated that some of the matters confided by statute to this commission are to be administered by a new commission yet to be set up.

I ask the house whether that was a courteous way of handling this matter. Here was a man who had been premier of his province, a man who had a gallant record overseas, a gentleman in every sense of the word. It is not like the Prime Minister to treat such a man in that way; it is not his usual practice, I want to say that. But I do think that by ignoring Colonel Harrington he treated him with scant courtesy.

A reference to determine the legal status of the present act must be subservient to the general questions of whether the government desires to institute national labour exchanges and a national system of unemployment insurance and, if so, whether it will administer these provisions by an independent commission or departmentally. The Minister of Justice is reported recently to have said in effect that the government desires either to be satisfied that the present act is valid or to ascertain the constitutional amendments necessary to constitute a valid system. If that is the government's attitude then much valuable time has passed unused. A reference to determine the validity of the levy of contributions will not be final until the judicial committee of the privy council has passed upon it. In any event it would be impossible to impose such levies for many months. If on the other hand it is intended ultimately to proceed with the scheme all these many months are required for preparatory work necessary before any system can be brought into effect with an expectation of working satisfactorily.

The enumeration of some of these preparatory matters will illustrate the point: The type and location throughout the dominion of regional, district, branch and sub offices, and arrangements for agencies; the procedure to be followed in these offices with the drafting of the necessary forms and returns, details concerning the collection of contributions and the disbursements of benefits; the methods for the collection, maintenance and transference of particulars of information concerning some two million individuals; drafting essential regulations governing