

Address on New Plan of Unemployment Insurance

Plan Outlined by Minister of Labour. Benefits Suggested.

Canada's new Unemployment Insurance Act will go into active effect on July 1st. Hon. Norman McLarty, Minister of Labour, recently gave an address in which he outlined the plan and indicated some of the advantages which will result from its operation. Anyone desiring further information may secure the same by writing to the Unemployment Insurance Commission, Ottawa, Ont.

The text of Hon. Mr. McLarty's address follows:
In June of last year, the Federal Government obtained the approval of every Province in Canada to an amendment to the British North America Act, permitting an Unemployment Insurance Act to be written into the social and economic structure of this country.

That was done and, by August, Canada had followed the example of other countries where great industries have developed, and had passed such an Unemployment Insurance Act.

Now, and because the operation of an Unemployment Insurance Plan at this time would be a direct contribution to our "Trial by Battle", it is intended to start collecting contributions and putting the Act into full operation on July 1st.

This plan of insurance, which was examined in detail by Parliament last year and very widely approved, is designed to fit the unique features of the industrial and social structure of Canada. The experience of other countries in this field of social insurance legislation has been carefully studied and it is believed many mistakes have thereby been avoided.

In Canada, Unemployment Insurance is to be administered by a Commission representing the three parties who contribute to the Fund: workers, their employers and the State. Each of these three will pay into a Fund for the benefit of the worker who becomes unemployed.

When the Unemployment Insurance Commission was created last September, the late Desjardins was chosen as Chief Commissioner but, owing to his ill health, it was necessary to arrange for a man to carry on in his place. Some months earlier Mr. Arthur MacNamara had been brought from Manitoba, where he had been Deputy Minister of Public Works, to reorganize the Dependents' Allowance Branch of the National Defence Department, and he was induced to undertake the new work as Acting Chief Commissioner. With him, representing the workers of this country, is Mr. R. J. Tallon, well known for his work in protecting the interests of the worker. Mr. Allan M. Mitchell of Montreal, the third Commissioner, represents those enlightened employers of Canada who see in Unemployment Insurance a true contribution to industrial peace and good will.

In the last few months, this Commission has been working at great pressure, and with great ability under difficulties, to make it possible to start operating the plan on July 1st. This will be an outstanding achievement as in other countries it has always taken a matter of years to set up the machinery to administer such a scheme. In fact this early start is only made possible through the co-operation of the Post Office and other Government departments.

This Commission will spread a cloak of protection over some two and one-half million workers in Canada who with their dependents, will total nearly half the population of the country.

In the course of the next few weeks it will start the distribution of insurance books to every employer in an insured industry: one for each of his employees who comes within the terms of the Act. For instance, there will be about one million books distributed in each of the cities of Montreal and Toronto, and some idea may be had of the magnitude of the task by the statement that across the whole country the issue of books will weigh about seventy tons. No less than three million books are being printed for the first year's supply and in a few weeks these will be distributed through about fifty depots set up in Post Offices across the country. The front page of the insurance book, which employers will fill in, will show details such as age, occupation and industry of each of the persons working for them. This will be the means by which every insured worker in the country will be registered and given a number, which he will retain throughout his years of employment.

Contributions to the Unemployment Insurance fund will be made by means of special stamps purchased through the Post Offices and placed in the worker's insurance book. The worker's contribution ranging from twelve to thirty-six cents a week, depending on his earnings, and will be deducted from his wages by his employer and with the employer's contribution will make up the value of the stamp which is put into the book. The total number of stamps required for the first year will be some eighty-nine million.

The amount of benefit an unemployed worker receives and the length of time he receives it is strictly related to the amounts and length of time he himself contributed while he was employed. For example, if a married man was fully employed at twenty-five dollars a week for five years and then became unemployed for a long period he would receive twelve dollars a week for a limit of one year.

During this period of unemployment



ment the nation-wide Employment Service—a development of the existing Provincial Employment Services—would be endeavouring to find him employment either in his usual occupation or in some other suitable occupation at his normal standard of living.

This Employment Service will operate in every large community in Canada and it will charge no fees to any employer or worker who desires to use it.

For the employer it will offer the best and widest field in which to find just the type of man or woman he requires to fill some special post.

For the worker it will offer free contact with employers who have vacancies to fill.

For war industries operating at high pressure, it will be the quickest and most logical place to look for the men they need. At this time of crisis, such a service is vital to our efficiency.

Because of administrative difficulties, the experience of other countries has shown that it is unwise to insure some types of employment in the early years of operation. For example, agriculture and fishing by their very nature do not operate in place where collections can be easily made or benefits administered through a City Employment Exchange. These occupations, and others like forestry and trapping, are therefore among those not insured.

Professional people like doctors, lawyers, and dentists, and people earning over two thousand dollars a year, are excluded although all these excluded classes will benefit indirectly from the payment of insurance benefits to the unemployed workers in their community. Even with these exclusions, something like eighty per cent of the wage earners of the country will be required to contribute to the insurance fund and will be able to draw from it on fulfillment of certain minimum requirements.

While nobody doubts that many of our serious economic problems in the last ten years have been caused by unemployment, or the fear of unemployment, it might be said that the relief of distress caused by unemployment is not the most pressing problem facing Canada at this time—that we are in the middle of the greatest war that this country has ever experienced and that we think of these problems later—after Hitler has wished he had suddenly become sane and flown to Scotland with his friend, Hess.

Perhaps if we had all been willing to think of war in time of peace, it might have been possible to have kept the regimented barbarity of the Nazi hordes from laying waste the civilized lands of the continent of Europe. Let it not be said that we so far forget the debt we owe to the skill of those who plan for this victory, that they were left to drift alone on the turbulent waters of readjustment after that victory had been won. An "all-out" War Effort demands changes in the industrial structure that will have permanent effects on the economic life of the country. As Mr. Menzies, the Prime Minister of Australia, said recently, "If we win this war—and we certainly mean to—we shall take years to recover from the strain . . . and here will be burdens which will bow our shoulders for a generation to come."

In the meantime, we have created industries that are designed solely for war purposes. Agricultural workers have become builders of aeroplane engines; stenographers are making munitions; industry has developed new materials and techniques and trained its workers in new skills, and the armed forces themselves have drawn to their ranks much of the brain and muscle that has built Canada's peace-time prosperity. The days of readjustment will bring new and intricate problems beyond the experience of any man.

Unemployment Insurance will give those who contribute a chance to catch their breath after their strenuous labours, and enable them to pause for a while during the period of readjustment without the fear of want and distress hanging over their heads. Their spending of their insurance benefits will help to sustain the purchasing power of the great consuming public, while merchants adapt themselves to new conditions. As far back as 1919, a Royal Commission of Canada recommended the study of Unemployment Insurance as a means of protection for workers during the period of the country's rapidly changing economic structure.

During the last war, and again during this war, Great Britain has seen the value of extending the scope of protection afforded by Unemployment Insurance and in the battered homes of Britain workers are finding their insurance benefits of tremendous value, both to their pockets and their peace of mind.

As my colleague, Mr. Ilsley, has pointed out on more than one occasion, Unemployment Insurance will make a direct contribution to the War Effort even now. Contributions from workers and their employers will total about one million dollars a week. This

will be held in trust by the Government for the Unemployment Insurance Commission, to be invested in Victory Loans and other similar Government bonds, until it will be needed. To the tax-payer, this means that just one million dollars a week less has to be raised by the Minister of Finance by other means while the demands on the fund are few.

Collections will begin on July 1st, when this important contribution to social welfare will be launched.

While collections will begin on July 1st, it should be borne in mind that benefits do not become payable in any case until contributions have been made for not less than 180 days within the two years immediately preceding the date on which need for benefit develops. It will be understood, therefore, that no benefits will become payable until approximately seven months have elapsed during which contributions have been made.

Of course, at this time it is impossible to predict the number of benefit cheques which will be issued once benefit rights have been established. Based on the experience in the United States during recent months, an approximation of the number of benefits which might become payable has been set up by one of our accountants. His guess is that the number of benefit cheques which will be issued each working day will not be less than fifteen thousand, or in the neighborhood of three and a half million cheques a year.

I simply mention the volume of cheques which will probably be required to give listeners an appreciation of the magnitude of the task which is being undertaken.

Today, in Britain, the bombed-out

Stories of Gallantry Come from Bombed Cities of Britain

East End Lads of London Show Their Toughness.

(By Winifred Holmes)

All heroes of the war are not in uniform.

Take Michael O'Connor, for instance. Michael is a boy of 16 from the East end of London. And Mickey was leader of a boy "Gang."

Now Mickey has turned his gang into a first-class company of fire-fighters and Civil Defence messengers. He and his parents live in a tiny basement. "That's why I'm so small," says Mickey, who is not quite five feet tall. His father is a dock labourer, and his mother a hospital cleaner.

Mickey himself is an office boy in a paper works. At night he goes on duty as an A.R.P. messenger, while his father and mother sleep in the crypt shelter of one of the historic old City churches.

One evening recently, Mickey reported at the Post for duty as usual.

worker and the Government have found in their social legislation, a source of their high courage and morale.

Canadians have already expressed their approval of the Unemployment Insurance Act here, both as a war measure and as a plan for peace.

I ask for the utmost co-operation of workers and their employers in launching this scheme and know that I can count upon it.

Bombs began to fall and the wardens were called out. Mickey was given the job of taking an injured man through the "blitz" to the First Aid Centre.

Seven times he was sent out on his bicycle while the raid was at its height, for the fire and ambulance services.

Then came a lull. Mickey wiped his forehead, had a cup of tea and a sandwich and sat down.

Before ten minutes had passed the guns were going again, overhead d roned the bombers. Suddenly a "bread-basket" spilled its deadly contents on Mickey's street.

"Incendiaries!" He pedalled furiously round to the houses where members of his "gang" lived. "A packet by Old Ma's pub. Come on!" With their help Mickey put out nine fires!

More incendiaries in the old church where among 350 other people, Mickey's parents were sheltering.

Two fires began to blaze on the roof. Armed with a bucket of water and a stirrup-pump, Mickey climbed a narrow staircase to the roof. There he fought the flames single-handed until the fire began to die down and the Fire Brigade arrived to finish the job.

When Bill Coppola, a fifteen-year-old railway worker in a West Country town, wanted to join the Auxiliary Fire Service for First Aid work he was told he was too young. But he persisted and was reluctantly enrolled.

One night the station to which he was attached was heavily attacked. High explosives screamed down and Bill dived under a coach for cover.

Then he heard a splutter as incendiary bombs fell on the building.

The next minute he was running up a ladder to the roof. There he spent ten hectic minutes kicking the incen-

diaries to the ground before they could do any damage.

A still younger boy hero is 14-year-old Eric Smith of South London. Because of his smallness and slenderness he was able to save the lives of several people trapped under the wreckage of their house.

Rescue workers were digging frantically to reach the family buried beneath the rubble.

Eric heard the leagler say that the only way to make a safe tunnel was through a small opening from which a fireplace had been removed.

"But it's too small for any of us to get through," he added despondently.

"I'll go," said Eric. The men hesitated. Owing to its dangerous nature the work needed skilled handling. But there were several lives at stake.

So Eric got his way. Armed with an axe and a shovel, he squeezed into the tiny opening. Cramped and half-suffocated, he chopped and shovelled away for hours, while debris threatened to collapse on him at any moment.

At last he succeeded in making the opening big enough for a man to pass

POOR GIRL!

Man—Whatcha cryin' for?
Boy—I lost my nickel.
Man—Where?
Boy—in Virginia.
Man—How come?
Boy—She swallowed it.—Exchange.

Gal! Reporter: This acceptance by our fairer friends of tasks once considered beneath them is bound to have its effect on the sort of men who are ever at the service of damsels in distress. In England the revolution has necessarily gone much further than here. There you find girls driving buses, wheeling luggage about hotels, delivering milk and peddling papers. On some corners of old London they say that the traditional Bobbies have been relieved of duty by tin-helmeted, skirt-wearing sisters. When the war is over will it be possible to expect gentlemen once more to take to hat-tipping, door-opening practices?

through. Finally the trapped people, two of whom were still alive, were brought out.

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