

## Section 4.—Unemployment Insurance\*

Unemployment insurance, which came into operation on July 1, 1941, applies to all employed persons with the following exceptions: workers in specified industries or occupations such as agriculture, forestry, fishing, lumbering and logging, transportation by air or water, stevedoring, private domestic service and workers on a contractual basis greater than a week, e.g., monthly or semi-monthly, who earn more than \$2,400 per year (and, except by consent of the Commission, employment in a hospital or charitable institution not carried on for gain). Formerly, no person who received more than \$2,000 per year was covered, but by an amendment to the Unemployment Insurance Act, which came into effect on Sept. 1, 1943, all employees paid on a contractual basis of an hourly, daily, weekly or piece rate (including a mileage rate) are now included in insurable employment regardless of the amount of their earnings, together with all other employees who receive \$2,400 or less per year. This amendment also extends the coverage with regard to public utilities, and makes possible the inclusion of employees of hospitals and charitable institutions.

**Unemployment Insurance Fund.**—Employers and employees contribute amounts that will bring approximately equal totals from each group. A grant amounting to one-fifth of these contributions is added by the Dominion Government, which also assumes the whole cost of administration. From July 1, 1941, to Mar. 31, 1943, employers and employees paid \$93,870,914 into the Fund and the Dominion added \$18,774,183. Reserves of the Fund have been invested in Dominion of Canada Bonds and at the end of the fiscal year Mar. 31, 1943, the par value of these investments amounted to \$104,848,000. The accrued interest was \$1,070,289.

Benefit first became payable on Jan. 27, 1942, and from that date to Mar. 31, 1943, of the 41,419 claims filed at local offices, 37,796 were forwarded to the regional and district offices for adjudication and 17,584 persons were paid benefit, 82,896 benefit cheques were issued and \$743,811 was paid out of the Fund.

**Contributions and Benefit.**—The rates of contribution and benefit are indicated in the following statement.

No benefit is payable during the first nine days of unemployment in a benefit year. After that, the duration of benefit is related to the employment and contribution history of the employee, in that the number of days' benefit is equal to one-fifth the number of contribution days during the previous five years, less one-third the number of benefit days in the previous three years. Insurance benefit is paid as a right on fulfilment of four statutory conditions:—

- (1) The payment of not less than 30 weekly (or 180 daily) contributions within two years, while in insured employment.
- (2) Proper presentation of the claim, and proof of unemployment.
- (3) Evidence that the contributor is capable of, and available for work, but unable to obtain suitable employment.
- (4) Proof that the contributor has not refused to attend a course of instruction or training if directed to do so.

Disqualifications for benefit include: loss of work due to a labour dispute in which the contributor is involved; unwillingness to accept suitable employment; being an inmate of any prison or an institution supported out of public funds;

\* A more complete account of the Unemployment Insurance Act, 1940, and of the administrative machinery set up by it appears in the 1941 Year Book at pp. 665-667 and in the 1942 Year Book at pp. 686-691.