

Section 5.—Unemployment Insurance

The Unemployment Insurance Act, which came into operation on July 1, 1941, applies to all persons employed under a contract of service, except the following: employment in specified industries or occupations such as agriculture, horticulture, forestry (effective Jan. 1, 1956, coverage was also extended to certain employments in these three industries); the Canadian Armed Forces; the permanent public service of the Federal Government; provincial government employees except where insured with the concurrence of the government of the province; certified permanent employees of municipal or public authorities; private domestic service; private duty nursing; teaching; certain director-officers of corporations; workers on other than an hourly, daily or piece rate, earning more than \$4,800 a year unless they elect to continue as insured persons; employees in a charitable institution or in a hospital not carried on for purpose of gain except where the institution or hospital consents to insure certain groups or classes of persons with the concurrence of the Commission. All persons paid by the hour, day, or at a piece-rate (including a mileage rate) are insured regardless of amount of earnings, together with all employees who receive \$4,800 or less at weekly, monthly, yearly or commission rates.

Unemployment Insurance Fund.—Employers and employees contribute to the Unemployment Insurance Fund, the total paid by each group being equal. The Federal Government contributes an amount equal to one-fifth of the combined employer-employee contributions and assumes the cost of administration. From July 1, 1941 to Mar. 31, 1956, employers and employees contributed \$1,569,863,590 to the Fund and the Federal Government added \$313,982,080. Interest and profit on sale of securities amounted to \$197,095,791 and fines of \$250,318 made a total revenue of \$2,081,191,779.

Benefits first became payable on Jan. 27, 1942, and from that date to Mar. 31, 1956, total benefit payments amounted to \$1,226,993,261, leaving a balance of \$854,198,519 in the Fund. Reserves of the Fund are invested in Government of Canada bonds and, as at Mar. 31, 1956, the par value of bonds held amounted to \$853,253,000.

WEEKLY RATES OF CONTRIBUTION AND BENEFIT UNDER THE UNEMPLOYMENT INSURANCE ACT, EFFECTIVE OCT. 2, 1955

Range of Earnings	Weekly Contributions ¹		Value of Weekly Stamp ²	Range of Average Weekly Contributions	Weekly Rate of Benefit ³	
	Employer	Employee			Person Without Dependant	Person With Dependant
	cts.	cts.	cts.	cts.	\$	\$
Less than \$ 9.00 ⁴	8	8	16	Less than 20.....	6	8
\$ 9.00 to \$14.99.....	16	16	32	20 and under 27.....	9	12
\$15.00 to \$20.99.....	24	24	48	27 " " 33.....	11	15
\$21.00 to \$26.99.....	30	30	60	33 " " 39.....	13	18
\$27.00 to \$32.99.....	36	36	72	39 " " 45.....	15	21
\$33.00 to \$38.99.....	42	42	84	45 " " 50.....	17	24
\$39.00 to \$44.99.....	48	48	96	50 " " 54.....	19	26
\$45.00 to \$50.99.....	52	52	1.04	54 " " 58.....	21	28
\$51.00 to \$56.99.....	56	56	1.12	58 to 60.....	23	30
\$57.00 or over.....	60	60	1.20			

¹ The weekly contribution is based on actual earnings in the week irrespective of the number of days in which the earnings are obtained. ² Unemployment insurance stamps combine both employer and employee contributions. ³ Rates calculated on the average weekly contributions for the last 30 weeks in the 104 weeks preceding claim. Since Oct. 2, 1955, a claimant to qualify for benefit must have at least 30 weekly contributions in the last 104 weeks prior to claim; 8 weeks must be in the last 52 weeks. (These periods of 104 weeks and 52 weeks may be extended under certain circumstances.) ⁴ Employees earning less than \$9 in a week receive one-half of a 32-cent stamp (8 cents from the employer and 8 cents from the employee).

The duration of benefit is related to the contribution history—one week's benefit for every two weeks' contributions in the past 104 weeks with a maximum of 36 weeks. The rate of benefit is determined by the average of the contributions in the past 30 weeks. No benefit is payable in a benefit period until a claimant has served a waiting period equivalent to one full week's benefit.