



service has resulted in the program's reduction. No salesmen have been employed since 1967 but annuities are still available under the Act to those who ask for them. They are now administered by the Unemployment Insurance Commission.

### 8.5 Unemployment insurance

Unemployment insurance has been part of Canada's social and economic life since the Unemployment Insurance Act was passed in 1940. Since that time various amendments have brought new categories of workers into the plan and contributions and benefit rates have been raised periodically to meet changing economic conditions. However, until recently, the basic structure of the plan remained unaltered.

In 1968, when Parliament approved upward revisions of both contributions and benefit rates and broadened the scope of coverage, the Unemployment Insurance Commission was instructed to investigate the program and to recommend appropriate changes in philosophy and structure. The Unemployment Insurance Act, 1971, effective June 27, 1971, was the result of extensive study; its basic objectives were to provide assistance to cope with interrupted earnings resulting from unemployment, including unemployment from illness, and to co-operate with other agencies engaged in social development.

The 1971 Act extended coverage to all regular members of the labour force (effective January 2, 1972) for whom there exists an employer-employee relationship. The only non-in-