

persons insured for unemployment the great majority do not actually pay any income tax.

It is true that most of these persons who derive benefit make some contribution to the maintenance of the Funds.

On the other hand, contribution is paid by those who derive no benefit at all, since these Funds receive contributions from the Exchequer, that is from the tax-payer, and also from Employers.

One effect of legislation regarding social services since the war has been a common belief among those who have benefited, that these services not only need not be paid for by them, but ought not to be paid for by them in any form. They have come, in some cases, to regard them as a debt due to them by nature as though Old Age Pensions, Health Insurance and the like were as much a common right of humanity as air and light.

In fact, however, no such right exists. Social services are a part of wages and not a supplement to them.

Another result of this wide impression that social services are a right which has not to be earned, is the widespread abuse of them. If all the workers insured against unemployment paid all their premiums themselves and only obtained benefits strictly proportionate to the premiums paid, they would be very careful to see that the Funds were properly handled, that nobody drew benefits to which they were not entitled, and that the insuring Fund was itself not bankrupt.

Yet that is exactly what is happening at the present time. Employers, employed, and tax-payers are compelled to pay their premiums for unemployment insurance into an Insurance Fund which has long been bankrupt, and its bankruptcy is due, in the main, to the fact that it is compelled to pay benefits for which either no premiums have ever been contributed, or insufficient premiums.

It is true, no doubt, that in every institution of the kind there will be found certain persons who by nature are inclined to take every advantage of gaps in laws or regulations controlling it. But it is also true that large numbers of persons who would never dream of taking a penny bun from a baker's shop without paying for it cheerfully take money which is in no sense due to them, because they consider that the State pays, and the State in this case appears to them a universal provider.