

McMaster University.

Industrial Labour Conditions In Canada.

A Thesis

Submitted to the Faculty of Arts
in candidacy for the degree of
Bachelor of Arts in
Honour Political Economy.

By

Robert Armitage Soper

Hamilton, Ontario

May, 1935.

Table Of Contents.

Industrial Labour Conditions In Canada.

- Chapter 1.-- Introduction: Labour legislation in general;
International Labour Organization; Canadian
economic scene; the Canadian constitution.
- Chapter 2.-- Canadian labour force:- (a) age and sex;
(b) occupation; (c) Provinces; (d) racial
origins; (e) mobility; (f) unionization.
- Chapter 3.-- Working hours; woman and child labour.
- Chapter 4.-- Wages: (a) Minimum; (b) Real; (c) Adequacy.
- Chapter 5.-- Unemployment: The facts; unemployment relief;
unemployment insurance.
- Chapter 6.-- Accident and Sickness: Workmen's Compensation;
Health Insurance.
- Chapter 7.-- Royal Commission: Background; Evidence; Results.
- Chapter 8.-- Summary and conclusions.

" " " "

The economic problems which face labourers in our present capital system are becoming more important and more numerous. These labour problems result from serious maladjustments, which have developed in our industrial order. There is a lack of harmony between the desires and policies of a large mass of the members of society, and the basic institutions of society's economic structure. The conflict thus created is of major importance because on its outcome depends the future of our economic institutions. The economic welfare of all members of society is meanwhile affected, as well as the efficiency of the industrial system reduced as a result of the friction, bitterness, and waste energy which this disharmony produces. The labour problems lie behind this major social problem, and these life problems of the individual worker must be understood before an understanding can be reached regarding the broader social aspects of the industrial conflict. The problems of factory and store employees are of great importance to-day, and this thesis will attempt a general discussion of several of their more important difficulties, such as, wages, hours, woman and child labour and unemployment.

Modern competitive society creates these problems for the propertyless worker, but makes little organized effort to lighten their effects upon him. Any improvements which would tend to better the labourer's position in the economic system must come through labour legislation, except of course, where labour has become highly organized as it has in several countries. This organization has come about most effectively through trade unions, by whom pressure is brought to bear upon employers, preventing to some degree, exploitation of the workers involved. However the position and conditions of the labouring class may also be improved by an upward swing in the business cycle, providing that their real wages rise. In the last analysis, any immediate action which is brought about to advance the labourer's

position seems most likely to come by means of labour legislation. This of course seems most probable in Canada's case, and the present facts appear to bear this point out, much more clearly than has formerly been noticed.

Labour legislation is important as a means of improving the status and conditions of the labouring class.¹ It considers the worker as such, while social legislation and reform treat him as a citizen. It modifies industrial autocracy but affects the capitalist system only in minor respects. It is supplemental to employees' solutions like trade unionism and collective bargaining, and to employers' solutions like welfare plans, and is an alternative to such fundamental changes as socialism, communism and fascism. Social legislation is broader than labour legislation because labour legislation is specifically concerned with regulating conditions of labour and relations between employers and employees.

Labour legislation originated in humanitarian legislation, but has become at once broader and narrower and is now considered part of a governmental program for the regulation of industry. This fact is plainly exemplified in the Right Honourable Mr. Bennett's reform program. In its latest and largest aspects labour legislation is mainly the result of increasing labour strength, organization and action, yet there were many contributing factors. However at the present moment labour legislation in Canada does not seem to have been the result of increasing labour strength and organization, but the result more or less of a need for a reform program which would contain several favourable suggestions which the government could use to appeal to the people for support. Nevertheless, generally speaking, original humanitarian motives merged with the general reform movement, and with the belief that the evils of unrestrained

1.- Following paragraphs are in part a summary of the article by Edwin Witte, "Labour Legislation" - - Encyclopaedia of Social Sciences.

industrialism were too great for charity, to advance the cause for labour legislation. Added to this was the fact that the public was seriously affected by strike, and that employers should not be permitted to burden the community with the costs of both.

From this tendency there are merged the concept of community welfare, and standards and arguments were advanced that labour legislation raised the level of social life by improving the modes of living, education and culture. Certain employers, moreover, came to support specific labour legislation to compel uniform standards and to equalize competitive conditions. However, any such tendency as this seems to be sorely lacking in our present economic system, where the small voice of the independent manufacturers is lost in the noisy clamour of large scale production and monopolies. Nevertheless the development of labour legislation was further strengthened by the conviction that better working conditions, whether granted voluntarily or imposed by legislation, tended to increase the efficiency and productivity. A great deal of labour legislation represents merely the compulsion of certain employers to adopt standards which a large part of the industry has already adopted. Progressive employers are always ahead of legal requirements, and although they may favour self-government in industry, they deem legislation necessary to bring laggards into line and deprive them of competitive advantages. The necessity for this sort of action has become much more evident to-day as the real facts which were unearthed by the Royal Commission on Price Spreads and Mass Buying have shown. Also the ideology of social reform through labour legislation required considerable independent influence. Such motives were supplemented by the desire to insure peaceful relations between labour and capital. The relations between labour and capital in Canada to-day are far from peaceful, and the tendency to improve these relations has become evident in the growing importance of labour legislation. Finally both labour and capital

in newly industrialized countries were influenced in their attitude towards labour legislation by the influence and experience of older countries. Thus labour legislation has gradually been coming to the foreground in Canada's economic structure due to these various tendencies and there seems to be evidence that its role in the next few years will be an important one as far as Canada is concerned.

The results of labour legislation have often disappointed the high hopes of its proponents, yet have by no means been a negligible factor in labour's advancement. Labour legislation sets only minimum standards which are generally far below those for which organized labour is contending. To organized workmen labour legislation has meant a slight raising of the level of the competition which they have to face from the unorganized, and the improvement of incidental conditions of employment for which it is not practical to go on strike. To the unorganized workman it has meant much more, such as the securing of a part of the advantages which the organized workmen win through their own effort. Thus to industrial workers in Canada labour legislation should play a considerable part towards a betterment of their conditions in the economic structure. To employers labour legislation has a slight restriction upon their freedom to handle their problems as they see fit, and a small increase in costs to the advantage of competitors^{not} similarly restricted, but it has not been without its offsetting benefits. It has been an important factor in directing attention to personal problems; and by removing entire issues from all controversy between employers and employees it has narrowed the field of conflict and promoted better relations. The special reforms as advocated by the Right Honourable R. B. Bennett with regard to labour legislation in Canada will be discussed later. The condition of labour in Canada is now an important problem, and any improvement along this line may or may not tend to be arrived at by means of Canadian labour legislation. The peculiar difficulties, however, which prevent the enactment of uniform labour legis-

lation in Canada will become evident in the discussion of the Canadian Constitution later in this chapter.

Labour legislation necessarily leads into the field of the International Labour Organization and the relation held by Canada to this body. The influence exerted upon the trend of legislation in the various countries by the International Labour Organization is of some consequence. One of our most recent developments is the growth of international labour conventions which the League of Nations is actively promoting through the I. L. O. The greatest obstacle encountered by this body is the varying character of labour legislation in different countries; even when there are identical laws the provisions and benefits may vary to such an extent as to render them totally dissimilar on a comparative basis. In addition to the progressive and ideological factors involved, international labour legislation is most important economically from the standpoint of countries actually competing for foreign trade. The export industries are usually large scale with heavy fixed capital, and competitive changes in the export market tend to depress wages and labour conditions in the industries affected. A situation such as this might be prevented or modified by international labour legislation or agreements. The competitive drive itself, however, tends to prevent the adoption of the proposed measures of regulation and the higher standards involved.

The basis, scope and probable future development of labour legislation must depend upon a complex of economic and social factors. There are economic limits to labour legislation determined by the efficiency of industry and the productivity of labour. But while labour legislation may not exceed these limits it usually falls short of them. Another factor is the power of social classes, for example labour legislation is more developed in Germany because of the greater strength of organized labour. Both the economic and class factor will determine the future of labour legislation in Canada. That future, despite forces to

the contrary, will probably witness a further extension of labour legislation. The I. L. O. represents an attempt to integrate under governmental auspices the various aspects of an international labour movement which had been developing for over a century. The peace conference, assembling in 1919 in Paris, appointed a commission on international labour organization to which was delegated the task of outlining an I. L. O. and a world charter. The provisions governing the establishment and conduct of the I. L. O. may be found in Articles 387-9 of the Labour Section of the Treaty of Versailles. The 31 draft conventions and 39 recommendations adopted by the conference during the period from 1919 to 1931 represent a definite trend towards the international codification of labour law. One of the dominant objectives of the I. L. O. is the regulation of hours of labour, and at its first conference a draft convention was adopted on an 8-hour day. Three broad problems now face the organization; the elaboration of its code of labour law, the extension of the international network of ratifications, and the effective applications of conventions when ratified.

It is difficult to estimate the actual effect of the organization's work on national legislation. With reference to Canada, several general results have followed from its work and have added some impetus to Canada's progress along the line of labour legislation. The gradual accumulation of ratifications (454 by March '32) will no doubt continue with a return of normal economic conditions. But varying degrees of industrialism in the member countries and their already existing standards must be taken into account, which makes it impossible to gauge progress solely by the number of ratifications effected in the various countries. Nor have ratifications in the less industrialized countries always meant elevation in the standards of living of the workers. On the other hand, members refusing to ratify on technical grounds have often maintained a relatively higher level of life than ratifying governments. However, as the ratifications accumulate and take

effect, these inequalities may tend to become adjusted, and the fear, on the part of the industrial advanced states, of unfair competition from industrially undeveloped countries, will probably diminish, thus removing a significant obstacle in the way of more rapid progress. Perhaps the most important single constitutional developement in the organization is the application of expert observation to the annual report which governments are obligated to submit under article 408 of the treaty, on the enforcement of ratified conventions. For several years this procedure has been bringing to light the failure of certain states clearly to conform their national legislation with ratified conventions, and a gradual improvement along this line may be observed. Generally speaking the I. L. O. is certainly a stabilizing factor in our modern economic and international life. In the future it is to be hoped that it may be one of the contributing factors which will bring the nations of the world together into closer harmony and more stable economic unity.

When Canada became a member of the I. L. O., Canadian¹ labour legislation entered a new phase. The promotion of laws for the protection of the workers against the evils of industrialism assumed new dignity and importance. Labour legislation is now receiving attention in Canada as never before, and fortunately so, for it rests with Canadians at large whether their country will rank among the nations as a leader or a laggard in this field. The importance of labour legislation in Canada is now quite apparent as seen in the present reform program of our government. In Part II, Article 427 of the Labour Section of the Peace Treaty, certain principles and standards were enunciated which might be appropriately mentioned here in order to designate the various aims which the I. L. O. is attempting to use as a basis for the advancement of international labour legislation. These are briefly:

1.- Labour should not be regarded merely as a commodity, or article of

1-- Bryce- Canadian Labour Laws and the Treaty.- Chapter 1.

commodity .

- 2.- The right of association for all lawful purposes to be enjoyed by the employees as well as ^{by} the employers.
- 3.- The payment to the employed of a wage adequate to maintain a standard of life as this is understood in their time and country.
- 4.- The adoption of an eight hour day or a forty-eight hour week as the standard to be aimed at where it has not been already attained.
- 5.- The adoption of a weekly rest of at least 24 hours which should include Sunday wherever practicable.
- 6.- The abolition of child labour and the imposition of such limitations on the labour of young persons as shall permit the continuation of their education and assure their proper physical development.
- 7.- The principle that men and women should receive equal remuneration for work of equal value.
- 8.- The standard set by law in each country with respect to the conditions of labour should have due regard to the equitable economic treatment of all workers lawfully resident therein.
- 9.- Each state should make provision for a system of inspection in which women should take part, in order to ensure the enforcement of the laws and regulations for the protection of the employed.

With regard to the above standards, the I.L.O. at its various conferences has adopted conventions and recommendations relating to most of these. At the beginning, Canada held an important place in the councils of the I.L.O. She was granted representation on the governing body, and in 1922 received a permanent seat as one of the nations of chief industrial importance. In addition, at the elections of that year, she secured a worker's seat and a substitute employers' seat. It seemed inevitable that this active participation in the work of the I.L.O. would hasten the development of labour legislation in Canada, but

although the conventions and recommendations taken up at the different conferences have been discussed and studied in the various provinces with an increased interest and some legislation has been passed, the various provinces have been rather timid for fear they would suffer from competition from other provinces. Canada's chief competitor and accordingly the country whose action in labour legislation gives her most concern was not a member of the I. L. O. up until 1934. Also with the coming in of Russia just recently to the I.L.O. there is a possibility that Canada may lose its seat as one of the eight chief industrial nations on the governing body. Legislative or other measures in effect in Canada applying the conventions in part of Canada have to do with the following:

- 1- Hours of work.
- 2- Unemployment.
- 3- Night work, women.
- 4- Minimum age,(industry).
- 5- Night work, young persons.
- 6- Workmen's compensation. (accidents and diseases).
- 7- Sickness insurance,(industry).

Thus with the I.L.O. playing the role of an instructor and each individual country being the pupil, and with the economic and social conditions within each country supplying the impetus, labour legislation as a means of ameliorating the conditions of industrial workers should become a factor of major importance in future economic life,

The problems of the people within a country are best understood if we have some idea of the actual economic and social conditions which prevail in the country and their relation to outside forces. With the Great War and the boom period which followed it, there came the growth of nationalism, which as a result of the depression

became more intense. To industries of ~~weak~~ growth in weaker industrial regions serious problems were presented, particularly in the form of unemployment, as a result of the more highly industrialized countries dumping their goods on these weaker regions. Along with this factor there was the trend of modern industrialism towards the more recently industrialized regions with new sources of power and less exhausted natural resources. Cumulative forces in economic independence have tended to strengthen this trend. As a result there has been evident an increasing disproportion between the standards of living of urban and rural population. This proportion has been accentuated by the increasing strength of established metropolitan centres as opposed to more recently developed centres. Metropolitan areas which are stronger politically must lend to the support of the depressed classes in unemployment relief. The lowering of the standard of living and protection in unemployment relief are resultant from the vicious circles in which are involved democracy, nationalism and regionalism. Along with the increase of industrialism and urbanization there comes higher standards of living for urban than for rural labour. Also the maritime regions which are characterized by flexibility tend to expose to competition continental areas characterized by rigidity.

Canada developed during the later stages of modern industrialism and was among the first to feel the effects of the turn. Serious problems of internal maladjustment such as evidenced in unemployment relief, the breakdown of provincial-federal relations and the like have been created due to the reliance on production of raw materials for export, the importance of the state and the rigidities of continental development. Even although modern industrialism has provided an abundance of goods, there has been no first luxury of security. The depression has illustrated the inevitable introduction

¶ Following paragraphs are a summary of Professor H.A. Innis's "Introduction"- Canadian Economy and its Problems.

of more elaborate machinery of government by which various problems can be remedied. The constitutional problem in Canada threatens to become a barrier of major difficulty, and a task which looms as urgent is the revision of the British North America Act. Specific types of control are demanded by the specific character of the Canadian economy. Due to the varying characteristics of basic elements of the economy, general remedial measures, which apply to the economy as a whole, are limited. For example certain measures which would be suited to the improvement of conditions in western agriculture will tend to be advantageous to Canada as a whole, but the effect of those measures on other staple products must be taken into account. Thus an adequate control necessarily implies adaptation not only to the demands of the economy as a whole, but also to the specific interests of each of a small group of basic commodities. The conditions in each industry vary and therefore the methods which are to be adopted to check the effects of overhead costs, or to bring industry out of the nosedive of a depression will also vary with each industrial unit.

The depression has been characterized by several distinct phenomena. There has been a decided decline and redistribution of the national income, and a redistribution of taxable capacity based upon that redistribution of income. There has been a growing tendency for the wealth of the country to become concentrated into the hands of too few people. The tax burden seems to rest too heavily on the people who can less afford it, that is, the taxation is not proportionate to the income received. Another phenomenon of the depression is the increase of new demands for public expenditure on direct relief and for the benefit of depressed capital goods industries. There has also been a great difficulty in meeting foreign debt charges and in borrowing funds abroad. Owing to the nature of our staple products and to the highly rigid costs or expenses violent fluctuations in income in Canada seems

to be our most important problem.

The Canadian economy is characterized by several distinct characteristics which are interesting. For instance there are vast areas of Canada, which in prosperous years are great sources of wealth, but which simply have no alternative economic activity.¹ This factor along with tariff adds rigidity to the Canadian economic structure. There also is a lack of flexibility of internal organization in our manufacturing industries, while in most of the large scale industries two, three, four or six corporations control from 75 to 95% of the output. There is a strong contrast to be noticed between the fluctuations in the prices of raw materials and the rigidity of the prices of manufactured goods. Also, due to price-fixing arrangements entered into from time to time by the majority of manufacturers, a further rigidity is added to the price structure for manufactured goods and for many imported goods. The immobility of capital exists in Canada as in other countries. The public debt and the expensive transportation system reflect the heavy social overhead costs that are part of the cost of building a nation in Canada, and the need for quantity and quality of permanent capital works in railways, shipping, canals, harbours and terminals that are in full use for only a part of the year. Transportation costs bulk large in the calculation of producers, as well as bearing extremely varying proportions to total costs, and railway rates possess necessarily a highly rigid character.

The cost of government in Canada is extremely rigid and any economies it may make in years of depression are more than balanced by relief expenditures, direct or indirect, or by deficits in services which in good years pay their way or show a profit. In our social costs another conspicuous rigidity is presented by the corporate and private debt, the latter being very heavy. There are even a

^{K.W}
1- Taken from Professor Taylor's "Summary"- The Canadian Economy and its Problems.

number of items of rigidity in current costs such as commercial interest rates and wage rates which respond slowly to changes in conditions. Thus on the whole Canada presents an economy with widely fluctuating income and highly rigid expenses. This lack of any close relationship between income and expenses means that with the vicissitudes of business there are sudden and drastic shifts in the distribution of profits, and rapid, unexpected and highly inequitable shifts in the burden entailed. These rigid costs result in burdens which fall unevenly on the various economic classes and industries. In manufacturing the loss takes the conspicuous form of unemployment and to a lesser extent of wage rate reductions, the demotion of workers and the loss of interest and profits. These are a few of the problems which are facing Canada to-day, and whatever the future may hold for the Canadian economic system it at least promises to be an interesting one. Whether or not our government will step into the breach and win a victory over its enemy, the depression, remains to be seen. The burden of solution rests upon the shoulders of every Canadian statesman, and it is their duty, the one with the other, to bring through willing cooperation a greater measure of peace, happiness and security to Canada.

It is impossible however to discuss labour legislation without reference to the peculiar conditions in each individual country. In Canada the question of the constitution looms before our eyes and in this we see an important obstacle which must be overcome before any real progress can be made. the division of authority between the Dominion and provinces in matters affecting labour has been the subject of much discussion.¹ It was thought at first that the federal government could regulate labour conditions through its control of the criminal law, but this proved unsuccessful, since according to the

¹ Following paragraphs are a summary of A. Brady's article, "The Constitution"- The Canadian Economy and its Problems.

B.N.A. Act the provincial legislatures could pass acts regarding labour as well as the Dominion legislature. In 1889 a Dominion Factory Act was urged wherein uniformity of laws can be obtained. The argument for this was that competition between municipalities to secure new industries, the lack of uniformity in enforcement and the expense of enforcement for the smaller provinces spoke for a Dominion law. The protection which is given manufacturers against outside competition proceeds from the Federal government and is enjoyed by all in common, and equally, all should be placed on the same footing in the matter of restrictions. If the provinces could control authority regarding acts for labour then varying legislation by which the manufacturers of one province might be given an advantage over another would be disastrous to business. If the terms of the B.N.A. act did not permit such legislation to be within the jurisdiction of the Dominion parliament then steps should be taken to amend the constitution in that respect.

This question of jurisdiction assumed a new importance when Canada began to consider her obligations as a party to the Labour Section of the Treaty of Versailles. Evidently it was thought at first that the Dominion parliament could give legal effect to any convention or recommendation within provincial jurisdiction if the provinces did not act. But in 1920 the procedure of the government was changed by an order-in-council referring conventions and recommendations to the Dominion or provinces according to the opinion of the Minister of Justice as to which was the competent authority in each case. Of the 20 conventions adopted to the end of 1925, 8 fall within the jurisdiction of the Federal parliament and of the 8, the Dominion has given effect to 4. The legal situation makes it difficult to legislate from a national viewpoint, since the will of a majority of the population in a majority of the provinces, favouring the enactment of legislation embodying certain decisions of the I.L.O., may be frustrated while a

minority in one or two provinces refuse to pass such legislation and thereby place themselves at a competitive advantage. The method of conference may be used to promote uniformity and something has been done in this direction. Provincial governments appointed commissioners who met in 1918 and annually since in the promotion of uniformity in legislation. In 1922 and 1923 conferences of representatives of the Dominion and the provinces were held in Ottawa to consider decisions of the I.L.O. and reached agreement on several resolutions recommending action to the competent authorities on various conventions. While these give promise of effecting a larger uniformity in labour legislation, the Dominion could go farther. It should be possible in these annual meetings to agree on model laws embodying not only the decisions of the I.L.O. but provisions adapted to Canada's peculiar requirements. The Dominion could then use its undisputed powers to apply these proposals to its own works and undertakings and so establish standards to which provincial legislation would tend to conform.

Thus with regard to the division of authority or responsibility between the Dominion and provinces in the ratification of the conventions adopted by the I.L.O., it was finally decided that the federal government's obligation would be fully carried out if the different conventions and recommendations were brought to the attention of the competent authority, Dominion or provincial, in each case. In September, 1922 the Dominion government called the provincial governments to a conference regarding the problem of unemployment and industrial and social questions which had been subject of action at the International Labour Conference. Here it was resolved that at the request of the majority of the provinces, the Dominion government should call a conference for the consideration of any aspects of the matter when this may be deemed necessary. There was a conference held in

September, 1923 and certain and certain recommendations on the various proposals of the I.L.O. were adopted. On the conventions and recommendations of the four conferences after 1923 of the I.L.O. Canada has taken no formal action. As has been mentioned the provinces have passed certain acts with regard to the conventions of the I.L.O., but most of these acts were only passed on the condition that they would become effective with concurrent legislation in the other provinces. There is great difficulty present here, and it would be better to have one power throughout the Dominion in this field. If this were so then no province could suffer unfair competition from provinces where legislation was enacted by different authorities. The principle object of the convention concerning unemployment was the establishment of a national system of free public agencies under the control of a central authority. While Canada has not ratified this convention, the Employment Service of Canada was established. On the whole, Canada's obligations under the Labour Section of the Treaty have prompted the Dominion government to seek to clarify the jurisdictional difficulty, to call the provinces together in conference in order to map out the field and to promote a larger measure of uniformity in labour legislation.

However, the application of remedies to solve the basic problems of the Canadian economy are stubbornly conditioned by the character of the state and the organization of the democracy. There are a few principal political facts which make it difficult to achieve truly national economic policies in Canada, that is policies built upon a consideration of the economy as a whole. Thus any legislation enacted for the improvement of labour conditions will be met with this difficulty. Geography has split the country into sharply demarcated regions within which distinct economic interests have grown to power. The Maritimes, Quebec, Ontario, the Prairie provinces and British Columbia

are the five main regions. Thus the difficulty of framing national economic policies becomes apparent. The Maritimes are still suspicious of policies which originate in other parts of Canada, and the economic decline in the Maritimes has often been attributed to Confederation. The divergent cultures and histories of the French and English make agreement on industrial policies difficult. Quebec is slower in adopting measures designed to improve by legislative enactment the conditions of labour and the standard of living. Quebec is anxious to guard its cultural inheritance by preserving things as they are, because she is aware of her racial minority in Canada. This distinguishes her from Ontario, where there is more belief in the function of the state as an organ of social betterment, and thus the two provinces cannot readily agree on social policies. The three Prairie provinces constitute the fourth main region in Canada. Their wheat economy, modified by the development of mixed farming in Manitoba and other areas, gives them an international outlook. They are dominated by an interest in the markets of Europe and hence cannot wax enthusiastic over measures originating in the east and designed to build up a diversified economy in Canada. Similarly British Columbia, with her mines, lumber, fisheries and Pacific commerce has economic interests equally distinct from those of the Prairies and the east. The very magnitude and diversity of its natural resources have given the people therein a confidence in the region's separate identity. Especially a Pacific outlook and interest must inevitably differentiate this province from the eastern parts of Canada, and already it views many economic policies very differently from the way in which they are viewed in Ontario and Quebec. Thus in brief, regionalism, rooted mainly in geographic and economic facts, is a stern reality in Canada. Any attempt to formulate at Ottawa policies which treat the economy as a whole is rendered difficult by the persistent pressure of regional interest from the

loud cry of regional claims. All prescriptions for Canadian economic ills must necessarily reckon with this fact.

This regionalism is strengthened and given force by structure of the Federal system. Here the fact of most concern is the nature of the present distribution of legislative powers between the federal and provincial governments. This distribution is determined mainly by the interpretation given by the courts to Sections 91 and 92 of the B.N.A. act. Section 91 states in part that the Federal parliament is to have power "to make laws for the peace, order and good government of Canada, in relation to all matters not coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces". In this list are included many things of importance for the whole Canadian economy, such as: currency, banking, interest rates, tariff, taxation etc. In Section 92 subjects are listed on which the provincial legislatures may exclusively make laws, with the additional provision in the Section that these legislatures will deal with all matters of a merely local or private nature within the provinces. As events have proved the most important of the subjects listed in the Section is property and civil rights in the province. In distributing the legislative powers the Fathers of Confederation were clearly anxious to assign to the Federal parliament, all matters of a truly national character. It seems that it was their belief that in the B.N.A. act the residue of power would dwell with the Federal parliament. The "peace, order and good government" clause of Section 91 seemed in itself sufficient to guarantee that the Federal authority would be adequate to promote genuinely national ends. In the early years of Confederation the intentions of the architects of the B.N.A. act were amply upheld by the courts. But broadly from 1881 on, the tide of judicial decision began to turn more strongly in the opposite direction, and the legislative powers of the provinces became enlarged. From the different decisions

given it was emphasized that the "peace, order and good government" clause only justified Federal legislation in cases of national peril or in a crisis. However, in this case it would seem quite evident that Canada is now going through a crisis, an economic crisis whose severity is evidenced in many obvious ways. Surely does not this warrant legislative action by the Dominion government without any delay. If this action is not possible without an amendment of our constitution as described in the B.N.A. act, then this act should be amended to come into harmony with conditions as they are in Canada at the present time.

However, a half century of judicial interpretation has given the provinces large legislative powers which render difficult the attainment of a national economic policy, despite the Federal control over such important matters as the tariff, currency etc. The Federal parliament lacks the power to legislate generally upon hours of work and wage scales. Although it may build up and destroy industries by a tariff policy, it cannot determine the standards of labour within them, except in the cases of public works under Federal jurisdiction. The provincial minimum wage laws have proved ineffective mainly because no province is ready to establish rigid standards in industry unless its neighbours do likewise. Unanimity of action is necessarily difficult to attain. Nationwide standards in these matters are only possible through the action of a Federal legislature. But owing to the present interpretations of Sections 91 and 92 that legislature is incompetent to deal with them. It is likewise unable to deal generally with prices and profits except by means of the tariff and taxation. Therefore control over industry in Canada is divided between the provincial and Federal governments, and the defects of such a division is readily seen. Also from the trend

of judicial decision it has been assumed that the Federal parliament was incompetent to pass an effective general law in the regulation of trade and commerce, despite the fact that trade and commerce are two of the matters specifically enumerated in Section 91. The regulation of particular trades and commercial transactions affects civil rights and civil rights are exclusively within provincial jurisdiction.

Thus the most serious criticism of the existing distribution of powers in the Canadian federation is the manner in which it restricts an attempt to achieve uniform economic standards in the things where such standards are vital. Another feature of Canadian federalism is the distribution of financial power between the Dominion and provincial governments. The rising expenditures in all public administration throughout Canada have brought the Federal and provincial governments into competition in the sphere of direct taxation. As the depression continued the financial relation of the Dominion and provinces became embarrassing owing not a little to the fact that the provinces and municipalities have had to bear the brunt of administering unemployment relief partly on money provided by the Federal government. This situation is obviously unsound. A deep sense of responsibility is hardly to be expected from public bodies which spend money raised by others, and the records of unemployment relief throughout certain parts of Canada definitely prove this fact.

The depression has brought to the fore a further problem of finance and federalism. The fact is illustrated by condition wherein the Federal government is ultimately responsible for the solvency of the provinces, because of the damaging effects upon the economy as a whole of provincial defaults, yet Federal authority has no check upon provincial borrowings. The Dominion must hurry to the rescue in a crisis, although it has no opportunity to influence provincial expenditures in order to prevent a crisis. This is an un-

satisfactory situation. The most direct way to remedy these constitutional difficulties which hamper the attainment of a national economic policy would be a drastic amendment of the B.N.A. act, involving the concentration of more power in the government at Ottawa. Politically such an amendment is exceedingly difficult to attain, despite the growing body of recent opinion favourable to some amendment. The facts of the situation may in time force some constitutional change. In the meantime the governments of the Dominion and provinces endeavour through discussion and negotiation to reach common and coordinative policies where these are imperative. Of this discussion and negotiation the Interprovincial Conferences have been the most official form.

Since the Great War they have met on a number of occasions and have considered most of the questions where some kind of national action is requisite, or where regional grievances require treatment. Unfortunately the results of the conferences generally fall below what is necessary on a given occasion. The minimum wage acts have largely been a result of these conferences. Gradual cooperation between the provinces is being made however. One evidence of it is the procedure which cumbrously gets round some of the difficulties in the existing distribution of powers:- namely, the Federal parliament passes a general act which gives assistance to those provinces that agree to promote a given service. The provincial legislatures then supplement this federal action with the necessary enabling legislation. Such has been the procedure in the establishment of old age pensions, and in the Dominion Marketing Act. In this way a concession is made to the local autonomy, a wholesome concession provided that the service in question is not of such a character as demands complete uniformity throughout Canada. As is obvious, the Dominion government has great difficulty in passing a uniform act for Canada since the provinces have control over property and civil rights. Short of a constitutional

amendment the above mentioned concession is the only method of obtaining new laws to meet national economic and social needs.

Chapter 2.

The occupations of the people of a country are at any given time mainly determined by its natural resources and the stage^{1.} which has been reached in their development. The outstanding characteristics of Canada are its enormous extent, its immense natural resources and the comparatively slight development of these. The resources of the Maritimes are fisheries, lands, forests and mines. Of Ontario and Quebec they are lands, forests, mines and abundant water-power for manufacturing purposes. Of the Prairies, agricultural land and mineral deposits are of most importance. Of British Columbia, fisheries, forests and mines are the principal ones. Therefore in Canada, as in other new countries, the labouring population bears a larger proportion to the total than is the case in older countries where there exists more realized wealth.

In addition to our native born workers, great numbers of young males and a smaller number of females, who have nothing to sell but their personal services, have in the past immigrated from older countries to Canada to find here a better market for their labour. Thus both the sex distribution and the age distribution of the population of Canada is rendered somewhat abnormal; an unusually large percentage of that population is of working age and of the male sex, that is of the sex which is most generally gainfully employed. The following census figures for the nine provinces in Canada show the trend of the number gainfully employed. (see following page for table.)

1. The following paragraphs are taken from the Canada Year Book 1933--page 743.

Table

	<u>Both Sexes</u>				
	<u>1931</u>	<u>1921</u>	<u>1911</u>	<u>1901</u>	<u>1891</u>
Total population 10 years and over including 3568 of unstated ages. -----	8,159,095	-	-	-	-
Total gainfully employed -----	3,924,533	3,173,169	2,723,634	-	-
Percentage of total	48.1	47.5	49.4	43.9	44.5

Males

Total population 10 years and over -----	4,252,537	-	-	-	-
Total gainfully employed -----	3,258,614	2,638,019	2,358,815	-	-
Percentage of total -----	76.6	77.5	79.5	74.2	76.6

Females

Total population 10 years and over -----	3,906,522	-	-	-	-
Total gainfully employed -----	665,919	490,150	364,821	-	-
Percentage of total -----	17.0	15.2	14.3	12.0	11.1

Thus the latest census shows a decrease in the proportion of males gainfully employed, a decrease probably due partly to a change in the age distribution of the male population ten years of age and over, partly to a later age at school leaving, a larger percentage of the total being under 20 and over 65, and a smaller percentage in the 20-65 age group. For example, 5.5% of the males in Canada were over 65 years of age in 1931 as compared with 4.7% in 1921.

Also the tendency for women to go into gainful occupations, which has been increasing noticeably since 1891, continues steadily as we can see from the table.

From Table 1 taken from the 1931 census figures, we have the picture of the distribution of the population of Canada by age groups, by sex and the total number of gainfully employed persons for the last two censuses. From the Table we can see that for males, the 25-34 age group has the largest number of persons gainfully employed. For females, the 20-24 age group has the largest number of persons gainfully employed. However, as seen from the percentage columns, it is interesting to note that the proportion of males gainfully employed decreases very slowly over the last five groups. On the other hand, the proportion of females gainfully employed decreases rapidly after the 20-24 age group. The fact that the largest number of males gainfully employed is in the 25-34 age group may be explained by the fact that men take longer to find steady employment or to settle down to the task they like best. The rapid decrease in the number of women gainfully employed after the 20-24 age group is due to the fact that women get married and leave their positions. These facts are also true for the 1921 figures.

From Table 2 we see that the distribution of gainfully employed persons, both male and female, shows clearly the changing importance of industries from 1901 to 1931. For males, agriculture is steadily decreasing in importance as an offering of employment. Construction is also decreasing in importance, while mining remains fairly steady. Manufacturing increased up to 1921 in importance but showed a decrease in 1931. Trade and transportation show trends which are quite similar, increasing up to 1911 or 1921 and then decreasing in 1931. In 1931 mining, manufacturing and transportation show an increase over 1901 for the percentage of males employed in those various

industries to the total males gainfully employed, while the other industries show a decrease. For females, construction, mining, transportation and trade show an increase in 1931 over the 1901 figures. Manufacturing is decreasing rapidly on the other hand in importance as a means of employment for women.

From Table 3 we have the number of persons gainfully employed in Canada by provinces, and the percentage of those employed in other than agriculture to the total number employed in gainful occupations. For Canada, 71.2% of those employed in other than agriculture. This table gives us a rough picture of the proportions which the various provinces have employed in agriculture and in industry. Saskatchewan, Alberta and Prince Edward Island have the lowest percentage of those employed in other than agriculture to the total gainfully employed. British Columbia, Ontario and Quebec have the highest percentages.

Thus we have a fairly complete picture of the labour force in Canada as to the total number gainfully employed by age groups, by sex, by occupations and by provinces. However there is another problem concerned with the Canadian labour force which is of interest, and that is the racial origins or birth places of our labouring population. From Table 4 we have the birthplaces of the population of Canada for the last four census years. Here we have Canadian born, British born, and foreign born, with their percentages of the total population. The percentage of Canadian born in 1931 to the total population in Canada has decreased since 1901. The percentage of British born has increased over 1901. The foreign born, those born in United States, show a slight increase, while those born in other foreign countries show a larger increase over the 1901 figures. Thus the foreign element in our population is increasing which fact informs us

that the problems with regard to labourers will also increase due to the inability of these foreigners to adapt themselves easily to Canadian labour conditions. From Table 5 we have evidence of the racial origins of our Canadian people. These are divided in the Table into four classes - British, French, Northwestern Europe and all others. Somewhat the same tendencies are seen from this table as from Table 4. The percentage of British origin to the total population has decreased from 57.0% in 1901 to 51.9% in 1931. The percentage of French origin has also decreased from 30.7% in 1901 to 28.2% in 1931. The other two groups have increased thus indicating an increase in the complexity of our population and ultimately an increase in the heterogeneous character of our labour force which will present new problems in industrial labour conditions in Canada.

Intermixed with this problem of increasing proportion of foreign born in our population is the question of the mobility of the Canadian labour force. There is quite a distinct degree of mobility¹ in the Canadian labour force due to several reasons. One important one is the inward and outward flow of foreign and British born people. Then there is the interchange of population as between city and city, province and province. There is also the exodus from the farm to the city and then the return movement to the land. Also with the emigration of native Canadians abroad and the offsetting influx of repatriated Canadian born all help to make population movements in Canada assume considerable magnitude and variety. There is now no outlet for eastern Canada's excess population; due to the crisis in the west, but there is still a movement of labour from east and west into Ontario and Quebec. Tariffs and effective minimum wage laws may protect the worker in the

1. Taken in part from Mr. Hurd's article "Population Movements in Canada 1921-31 and Their Implications" --C.P.S.A.

east from foreign labour, but neither of these services would seem to offer any promise of protection from the pressure of young native Canadians from less prosperous parts of the Dominion.

A mobile labour force in Canada is a problem which increases as economic crisis increases. The increasing proportion of foreign born tend to be more mobile than Canadian born. The rural to urban immigration increases the burden of finding employment for them in the cities. This movement was large during 1921 and 1931 due largely to the high rural birth rate. The back to the land movement is directly beneficial, while the increased pressure on present farming communities will be relayed back to the city in the form of increased competition for urban employment. Due to the excessive mobility of the youth of Canada, the shift might be expected to take place with considerable promptness. Perhaps the solution may lie in further agricultural expansion in Canada, but time alone will tell. However continued urban unemployment on a large scale or a lowering of the standard of living of urban workers seem the only means of checking the movement to the city, unless of course there came a great development of rural industries, or unless Canada's exports of manufactured goods increase due to lowered manufacturing costs.

This mobility of labour question in Canada necessarily leads us into the field of labour organization. In Canada labour organization is shown as falling into two classes- -(1.) local branches of international unions having most of their membership in the United States and Canada. (2.) Unions whose membership is wholly in Canada. According to the census of 1931, trade unionists represent about 7.1% of the working population; adding 99,054 members comprised in non-trade union associations, organized wage earners in Canada at the close of 1932 represented approximately 8.3% of the working population. Thus unionism is not very strongly developed in Canada, and thus more of the burden of bettering labour's conditions in industry will necessarily fall upon labour.

legislation and its uniform enactment as far as possible. There is a certain rivalry between the method of labour legislation and that of collective agreements and the latter system seems likely to prevail. Legislation must however intervene in order to make the rules laid down by collective agreements general and obligatory and to provide the necessary bodies to supervise their application and settle possible disputes. In order to carry out such a program international labour standards are necessary, and it is therefore most desirable that the I.L.O. should concern itself actively with this question. A new body for the I.L.O. has been suggested in which economists and authorized representatives of various countries would study labour questions in their relation to economic questions and vice versa. In Canada where organized labour does not exist to any large extent, more emphasis is placed on labour legislation and its importance necessarily becomes great. In countries like England and Germany where labour is extremely well organized then labour legislation as a means of bettering the conditions of labourers is obviously of little importance. But in Canada where only a few trades or industrial groups are organized, such as the printing, building, engineering and railway employees, then labour legislation takes the lead and assumes a position of significance in the industrial field. State regulation becomes an important question and at present seems to present a possibility by which the sorrowful plight of labourers might be alleviated.

Table 1.

Total Population 10 years and over, - the number and percentage of gainfully employed persons by age groups for Canada- Census Years 1931, 1921.

Age Groups	<u>Both Sexes - 1931</u>			<u>Males - 1931</u>		
	<u>Total No.</u>	<u>Gainfully Employed</u>		<u>Total No.</u>	<u>Gainfully Employed</u>	
		<u>No.</u>	<u>P.C.</u>		<u>No.</u>	<u>P.C.</u>
All ages	8,159,059	3,924,533	48.10	4,252,537	3,258,614	76.83
10- 13	865,053	4,931	0.57	437,179	4,391	1.00
14	207,594	13,354	6.43	105,013	11,379	10.85
15	204,906	32,830	16.02	103,206	26,729	25.90
16 - 17	425,829	161,746	37.98	215,085	118,098	54.91
18 - 19	407,628	246,473	60.47	206,316	165,178	80.06
20 - 24	910,121	617,884	67.89	463,120	428,538	92.53
25 - 34	1,493,119	915,029	61.28	776,988	759,395	97.74
35 -44	1,332,864	771,991	57.92	705,833	690,537	97.83
45 - 54	1,072,463	623,883	58.17	587,919	568,067	96.62
55 - 64	660,555	355,166	53.77	355,289	322,481	90.77
65 - 69	230,853	100,463	43.52	120,473	90,935	75.48
70 and over	344,406	80,783	23.46	173,474	72,886	42.02
Not stated	3,668	-	-	2,642	-	-

1921

All ages	6,671,236	3,173,169	47.56
10 - 13	736,580	8,821	1.20
14	175,787	20,745	11.80
15	163,877	43,642	26.63
16 - 17	328,352	154,345	47.01
18 - 19	308,831	192,271	62.26
20 - 24	710,581	450,328	63.37
25 - 34	1,338,111	775,547	57.96
35 - 49	1,610,059	920,690	57.56
50 - 64	880,268	462,875	52.58
65 and over	418,790	137,905	32.93

1921

3,461,238	2,683,019	77.52
371,519	7,729	2.08
89,387	16,827	18.82
82,197	33,518	40.78
165,252	112,050	67.80
155,406	132,771	85.43
350,590	324,102	92.44
690,096	663,919	96.21
873,979	845,278	96.72
468,667	421,658	89.97
214,145	125,167	58.45

Census figures

Table 1. (Cont'd).

<u>1931</u>				<u>1921</u>			
<u>Females</u>							
<u>Gainfully Employed</u>				<u>Gainfully Employed</u>			
<u>Age Groups</u>	<u>Total No.</u>	<u>No.</u>	<u>P.C.</u>	<u>Age Groups</u>	<u>Total No.</u>	<u>No.</u>	<u>P.C.</u>
All ages	3,906,522	665,919	17.05	All ages	3,209,998	490,150	15.27
10 - 13	427,874	540	0.13	10 - 13	365,061	1,092	0.30
14	102,581	1,975	1.93	14	86,400	3,918	4.53
15	101,700	6,101	6.00	15	81,680	10,124	12.39
16 - 17	210,744	43,648	20.71	16 - 17	163,100	42,295	25.93
18 - 19	201,312	81,295	40.38	18 - 19	153,425	59,500	38.78
20 - 24	447,001	189,346	42.36	20 - 24	359,991	126,226	35.06
25 - 34	716,131	155,634	21.73	25 - 34	648,015	111,628	17.23
35 - 44	627,031	81,454	12.99	35 - 49	736,080	81,412	11.06
45 - 54	484,544	55,816	11.52	50 - 64	411,601	41,217	10.01
55 - 64	305,266	32,685	10.71	65 and over	204,645	12,738	6.22
65 - 69	110,380	9,528	8.63				
70 and over	170,932	7,897	4.62				
Not stated	1,026	-	-				

Table 2.

Changing Importance of Industries in Canada (1901 - 1931).

<u>Industry</u>	<u>Males Employed</u>	<u>Total, males gainfully employed</u>	<u>P.C. of total</u>	<u>Females Employed</u>	<u>Total females gainfully employed</u>	<u>P.C.</u>
Agriculture						
1901	707,924	1,544,883	45.8	8,936	237,949	3.7
1911	917,848	2,358,813	38.9	15,887	364,821	4.3
1921	1,023,706	2,683,019	38.1	17,912	490,150	3.7
1931	1,197,204	3,258,614	36.8	1,800	665,919	2.7
Construction						
1901	213,264	1,544,883	13.8	43	237,949	.01
1911	245,990	2,358,813	10.4	211	364,821	.08
1921	284,679	2,683,019	10.6	-	490,150	0
1931	215,089	3,258,614	6.6	1,748	665,919	2.6
Mining-1901						
1901	28,646	1,544,883	1.85	4	237,949	.001
1911	62,706	2,358,813	2.66	61	364,821	.01
1921	50,860	2,683,019	1.89	203	490,150	.04
1931	68,507	3,258,614	2.1	321	665,919	.04
Manufacturing						
1901	213,956	1,544,883	13.8	69,941	237,949	29.4
1911	392,781	2,358,813	16.6	100,435	364,821	27.5
1921	449,348	2,683,019	16.7	106,410	490,150	21.7
1931	495,533	3,258,614	15.2	108,860	665,919	16.3
Trade-1901						
1901	107,172	1,544,883	6.9	11,775	237,949	4.9
1911	240,903	2,358,813	10.2	28,390	364,821	7.7
1921	218,342	2,683,019	8.1	43,383	490,150	8.8
1931	203,683	3,258,614	6.4	75,906	665,919	11.4
Transportation						
1901	79,647	1,544,883	5.1	1,109	237,949	.4
1911	210,692	2,358,813	8.9	6,852	364,821	1.8
1921	246,692	2,683,019	9.2	21,145	490,150	4.3
1931	260,200	3,258,614	7.9	23,218	665,919	3.4

Census figures.

Table 3.

Gainfully Employed Persons By Provinces in Canada - 1931

	<u>Total gainfully employed</u>	<u>Total employed in other than agriculture</u>	<u>P.C. of total</u>
Canada	3,927,591	2,799,403	71.2
Prince Edward Island	32,170	13,788	42.8
Nova Scotia	181,084	137,159	75.8
New Brunswick	140,020	93,745	66.9
Quebec	1,025,842	796,307	77.7
Ontario	1,346,377	1,042,707	77.4
Manitoba	270,692	177,431	65.6
Saskatchewan	338,925	134,503	39.6
Alberta	286,216	140,552	49.1
British Columbia	306,262	263,211	86.0

Table 4.

Birthplaces of the Canadian People 1901, 1911, 1921, 1931.

<u>Year</u>	<u>Canadian born</u>	<u>British born</u>	<u>Foreign born</u>		<u>Total population in Canada</u>
			<u>Born in U.S.A.</u>	<u>Born elsewhere</u>	
1901	4,671,815	421,051	127,899	150,550	5,371,315
1911	5,619,682	834,229	303,680	449,052	7,206,643
1921	6,832,224	1,065,448	374,022	516,255	8,787,949
1931	8,069,261	1,184,830	344,574	778,121	10,376,786

Percentages of the total population

1901	86.98	7.84	2.38	2.80
1911	77.98	11.58	4.21	6.23
1921	77.75	12.12	4.26	5.87
1931	77.76	11.42	3.32	7.50

Table 5.

Racial Origins of the Canadian People - 1901, 1911, 1921, 1931

<u>Origin</u>	<u>1901</u>	<u>1911</u>	<u>1921</u>	<u>1931</u>
British	3,063,195	3,896,985	4,868,738	5,381,071
French	1,649,371	2,054,890	2,452,743	2,927,990
1 N.W. Europe	360,789	515,931	561,539	742,015
All others	297,960	738,837	904,929	1,325,110
Total	5,371,315	7,206,643	8,787,949	10,376,786
1- Includes (Austria, Germany, Holland, Belgium, Scandinavia, and Finland).				

Percentages of Total Population

British	57.0	54.0	55.4	51.9
French	30.7	28.5	27.9	28.2
N.W. Europe	6.7	7.1	6.4	7.1
All others	5.5	10.2	10.3	12.7

Chapter 3.

In order to get a picture of the general conditions regarding the hours of work for labourers in Canada we must examine the acts in the various provinces which are related to the employment of women and children in factories and shops. In Prince Edward Island the only act relating to the employment of women and children is the Public School Act passed in 1920 stating that children must attend school until they reach the age of 16 years. In Nova Scotia the Education Act passed in 1918 states that children must attend school between the ages of 6 and 16 except where (a) any child over 12 years of age who passes satisfactory examinations in grade 9 of common school work. (b) Any child over 13 years of age who shows to the satisfaction of the School Board that necessity requires him to go to work. However it seems unfair to make young children go to work at this age; something must be wrong somewhere in a system where necessities arise which would cause them to seek employment before they had received a suitable education. The Factories Act passed in 1901 in Nova Scotia states that boys and girls under 14 years of age may be employed during the months of July, August, September and October in connection with canning or desiccating of fruits or vegetables. The Lieutenant -Governor-in Council may prohibit the employment of girls under 18 and boys under 16 in factories, the work of which is deemed dangerous or unwholesome. The hours of labour for young girls and women shall not be more than $12\frac{1}{2}$ in any one day and not more than $72\frac{1}{2}$ in one week. There is also the Children's Protection Act passed in 1923 which defines a young person as meaning any boy under 14 and any girl under 16 years of age, states that no young person shall be employed in or about any shop (trade store) for a longer period than 8 hours a day, nor for a longer period than 4 hours on Saturday. Also it states that on every day

on which such young person is employed for more than 4 hours, not less than one hour shall be allowed for the noon-day meal.

In New Brunswick there is an act passed in 1906 making attendance at school compulsory between the ages of 6 and 16, except where those who are over 12 years of age and have passed satisfactory examinations in grade 7 of common school work, or any child over 13 years of age who can show that necessity requires them to go to work. No child under 13 shall at any time be employed in any mechanical manufacturing or mercantile establishments. The Factories Act, passed in 1920, defines child as meaning a person under 14; a woman as meaning a person between the ages of 14 and 18. Under this act the Workmen's Compensation Board may prohibit the employment of girls under 18 and boys under 14 in factories where the work is deemed dangerous or unwholesome. No young girl or woman shall be employed for more than 10 hours in one day, and not more than 60 hours in one week, unless longer apportionment is made for some days to shorten the length of the Saturday working day. There are certain exceptions to the above in the case of a breakdown in machinery or during special seasons in the trade. Then the hours of labour shall not be more than $13\frac{1}{2}$ in any one day nor more than 81 in any one week. These exemptions shall not comprise more than 36 days in any twelve months.

In Quebec the Industrial Establishments Act, passed in 1909 states that in any establishment classified by the Lieutenant-Governor as dangerous, unwholesome or incommodious, the ages of the employees shall not be under 16 years for boys and 18 years for girls or women. In any establishment other than those indicated in the above sentence, no employee whether boy or girl shall be less than 14 years of age. No boy less than 18 years of age and no girl or woman shall be employed in an establishment for more than 10 hours in one day or for more

than 55 hours in any one week. The hours of labour per day, however, can be apportioned to give a shorter day's work on Saturday. In the cotton and woollen factories, no boy under 18 and no girl or woman shall be employed for more than 10 hours in any one day or for more than 55 hours in one week. However, for a period of not more than 6 weeks, due to the exigencies of trade, the time of these boys, girls or women may be extended to 12 hours a day or 72 hours a week providing the day shall not commence before 6 a.m. and end after 9 p.m.

In Ontario the Factory, Shop and Office Building Act, passed in 1914, states that no person under 14 years of age shall be employed in any shop(store). The Lieutenant- Governor may prohibit the employment of young girls(14-18) and youths(14-16) in factories the work of which he deems dangerous or unwholesome. No male under 16 or female person may be employed for more than 10 hours in one day or 60 hours in one week, unless different apportionment is made in the hours of labour per day to make another working day shorter. The factory inspector may permit certain exemptions from this and then the hours are not to be more than 12½ in any one day and 72½ in any one week and for a period of not more than 36 days.

In Manitoba the Factories Act, passed in 1913, defines child as a person under 14 years of age ; a young girl as between the ages of 15 and 18; and a woman as 18 years of age and over. The Act states that no child, young girl or woman can be employed for more than 9 hours in one day, and 54 hours in one week, unless different apportionment of hours is made to make a shorter day's work on Saturday. It also states that no child shall be employed in any factory. The Lieutenant-Governor may prohibit the employment of girls under 18 and boys under 16 in factories where the work is deemed by him dangerous or unwholesome. Where exemptions are made due to accident to the

machinery or where the machinery cannot be worked due to some occurrence beyond the employer's control, or where exigencies of trade insist, the hours of labour shall not be more than 12 in one day and 60 in one week, and shall not comprise more than 36 days. There is also a Shops Regulation Act, passed in 1913, which states that no person under 14 years of age can be employed in or about any shop. The hours of work shall not be more than 14 hours in one day and 60 hours in one week for young persons, male(15-16), female(15-17) and women(over 18). Emergency cases allow for 70 hours for persons not under 16.

In Saskatchewan the Factories Act passed in 1909, defines child as meaning any male under 14 and any female under 15; a woman as 18 and over; a youth as between 14 and 16; a young girl as between 15 and 17. The Lieutenant-Governor may prohibit from time to time the employment of youths and young girls in factories the work in which he deems dangerous or unwholesome. No youth, young girl or woman shall be employed in any factory for more than 48 hours in one week. Exemptions from this rule permit no youth, young girl or woman to be employed for more than 12½ hours in one day or 72½ hours in one week. Such exemptions shall not comprise more than 36 days in the whole year.

In Alberta the Factories Act, passed in 1926, defines child as any person under 15; a woman as 15 and over. It states that no child shall be employed in any factory shop. Where the minimum wage has been fixed for female workers in any class of employment, no male worker shall be employed at a less wage except apprentices, and the hours of labour shall not exceed 9 in a day and 54 in a week except where the factory inspector makes exemptions.

In British Columbia the Factories Act, passed in 1911, defines child as any person under 15 years of age; a woman as 18 and over, and a young girl as between 15 and 17. It states that no child

shall be employed in any factory except where written permission has been given by the inspector, and then for not more than 6 hours a day. In the case of exemptions the working hours shall not exceed those prescribed in the Hours of Work Act passed in 1923, which will be discussed soon. The Factory Act also states that the Lieutenant-Governor may prohibit the employment of girls under 18 and boys under 16 in factories the work in which he deems to be dangerous or unwholesome. The hours of work for a young girl, or woman, shall not be more than 8 in a day or 48 in a week, and where exemptions are allowed, they shall not exceed 9 in a day and 54 in a week and shall not be for more than 36 days in the whole in any year. In reckoning such a period of 36 days, every day on which the employees have worked overtime is taken into account.

The Hours of Work Act, passed in 1923, regulates the hours of work as 8 in a day and 48 in a week, with the exceptions provided for- where by agreement between employers and employees the daily limit of hours can be raised to 9 but the weekly limit of 48 shall not be exceeded. The limit of hours of 8 and 48 may be exceeded in the case of accident, actual or threatened, or in the case of urgent work to be done to machinery or plant, or in the case of force majeure or as far as may be necessary to avoid serious interference with the ordinary working of the undertaking, and in those processes which are required by reason of the nature of the process to be carried on continuously by a succession of shifts, subject to the condition that the working hours shall not exceed 56 on the average. The Shops Regulation Act states that no boy or girl under 16 shall be employed for a longer period than 48 hours in one week or 8 in one day, in or about a shop. The Night Employment of Young Persons Act for British Columbia states that regulations may be made by the Lieutenant-Governor to suspend the prohibition of night work for young persons between

the ages of 16 and 18 where by reason of serious emergency the public interest demands it or by reason of the nature of the process, work in any industrial undertaking is required to be carried on continuously day and night. Otherwise young persons under 18 shall not be employed in any public establishment during the night (8 p.m. to 7 a.m.). Where night work is allowed for women, the night shift shall not be longer than 10 hours or for a period longer than 60 days. There is also an Employment of Children Act passed in 1921, which states that boys under 14 and girls under 15 shall not be employed or work in any private or public industrial undertaking.

Thus from the perusal of these acts we may see that the situation regarding woman and child labour is highly unsatisfactory. The hours which women and children are allowed to work in one day and in one week are exceedingly long in many cases, and the age limit over which they can be employed is much too small. The acts are certainly obsolete in many respects and revision must be urged if any reasonable standard of working conditions for industrial and shop labour is to be established. These conditions should be completely investigated and an attempt to pass more uniform factory and shop legislation throughout the various provinces should be begun as soon as possible. Acts relating to the hours of labour in shops are only in effect in British Columbia, Manitoba, Ontario and Nova Scotia. The minimum wage acts of course state the number of hours to be worked in shops and factories in the different provinces but these are often avoided by ingenious methods, which fact has been shown by the evidence as collected by the Royal Commission. Some system of inspection may be a solution to the problem whereby the rigid enforcement of labour legislation can be attained. Certainly the condition of factory and shop labour in reference to working hours does not present a very rosy picture at

the present moment, due largely to the fact that although there is legislation regulating the hours of labour, there are always some uncrupulous employers who exploit their labourers. They try to get as much work from them at as little cost as possible and thus by lowering their labour costs they can lower their cost of production and gain a competitive advantage over other producers. If uniform laws were passed with respect to the conditions of working hours in factories and shops, and if these laws were rigidly enforced it would do much to lighten the load which labour now bears.

The work of the Royal Commission on Price Spreads and Mass Buying has contributed a great deal to this cause. Many facts were brought to light by this body regarding the most unsatisfactory conditions existing in Canadian industry, and their report on the hours of labour in various branches of industrial activity is interesting. In the needle trades the evidence as gathered by the Commission shows that the hours of labour of employees are often oppressively long. In flour-milling it is shown that the hours of labour in eastern mills is considerably out of line with accepted standards of a reasonable working day. For department stores it would seem that from the evidence shown, most of the departmental stores by common agreement in each city could progressively shorten the hours of labour of their employees without affecting seriously the sales volume. In the case of chain stores (food chains) the evidence shows that the hours of labour commonly exceed 60 hours per week and may be somewhat longer in Quebec. Such a working week is far in excess of current standards for satisfactory labour conditions. The evidence gathered by the Commission also appears to point to the fact that in variety chains the employees commonly work about 50 hours per week, although the auditors' reports show that some employees are employed beyond store hours arranging

stocks or displays. In view of the sustained profits received by the largest of these chains, the continuance of long hours for its employees can scarcely be defended. The conditions of employment in variety chains should be at least as good as they are in department stores, and a reduction in the hours of employment is a step in this direction which should not be delayed.

It is of some interest to note that the bill referring to working hours as outlined in the Prime Minister's reform program has just recently been introduced into the House of Commons. It is an 8 hour day act which includes practically all industrial workers, miners and transportation helpers, but exempts retail employees. In brief this act promotes an 8 hour day and a 48 hour week. Where the daily hours of work on one or more days of the week are less than 8, the limit may be exceeded on other days of the same week but not by more than one hour in a day. Where persons are employed in shifts the 8 hour limit may be exceeded, provided that over a period of 3 weeks the average does not exceed 8 hours in a day or 48 hours in a week. There are exceptions to meet emergency cases, such as accident, actual or threatened, or urgent work to be done to machinery or plant, and then it may be permissible to the extent that any serious interference with the ordinary working of the undertaking may be avoided. Similar exceptions are permitted on work of a nature requiring longer periods of work than 8 hours provided that the average hours do not exceed 56 a week. Other exceptions may be granted by the Lieutenant-Governor after consultation with other recognized councils of workers and employees. Although the exemption of retail employees from the bill seems a grave deficiency yet there are difficulties present here which prevent including them in the bill. For example these stores must stay open on Saturday evening to allow employees who work all during the week to do their shopping. Perhaps a 48 hour week could be established for these employees in retail stores

by shortening the hours on week days; this question may be answered in time but at present remains a problem to be considered. To prevent these employees from being worked too long the rigid enforcement of the factory acts and minimum wage acts (re hours of labour) is urged. From Tables 6 and 7 we can get some idea of the maximum hours as set by the 7 minimum wage boards in Canada, and also a few samples of working hours of common factory labourers during 1929, '32 and '33. From Table 6 we see that 9 hours a day is the maximum but this is exempted on Saturdays and in certain months when the hours may be longer. The maximum number of hours for a week is 52, but in the case of Ontario and Quebec the hours are set by the Factories acts which limit the hours to 10 in a day and 60 and 55 in a week respectively. In Table 7 we have several samples of hours worked per week and on the whole these are very long in proportion to the wages paid. Altogether the picture with regard to the hours of labour in factories and shops in Canada at present is quite unsatisfactory. Revision of the factory acts, and rigid enforcement of the minimum wage acts seem to be absolutely necessary if better standards in working conditions are to be established.

Table 6.

Minimum Wages and Maximum Hours of Labour for Female Employees
under orders of the Minimum Wage Boards in Canada, - 1933.

	<u>Adults experienced</u>	<u>Minors and learners</u>	<u>Hours per day</u>	<u>Hours per week</u>
Alberta- Factories	\$12.50	\$6.00 to 10.00	9	48
Retail Stores	12.50	7.50 to 11.00	9(m)	52
British Columbia- Factories	14.00	7.00 to 13.00	8	48
Retail Stores	12.75	7.50 to 12.00	-	48
Manitoba- Factories	11.00 to 12.00	8.00 to 11.00	9	48 to 50
Retail Stores	12.00	7.00 to 11.00	9(m)	48
Nova Scotia- Factories	10.00 to 11.00	6.00 to 10.00	-	1
Retail Stores	-	-	-	-
Ontario- Factories	10.00 to 12.50	6.00 to 11.00	-	x
Retail Stores	8.00 to 12.50	6.00 to 11.00	-	1
Quebec- Factories	8.00 to 12.50	5.00 to 11.00	-	f
Retail Stores	-	-	-	-
Saskatchewan- Factories	14.00	7.50 to 11.50	-	49 48 51
Retail Stores	15.00	7.00 to 13.50	-	49 to 51

(m) longer time may be permitted on Saturdays, and during certain seasons.

(1) the rate applies to work between 44 and 50 hours per week- hours in excess of 50 to be paid on not less than a rate based on 50 hours per week- hours under 44 at a rate based on normal hours in the establishment.

(x) the factory act provides for maximum hours of female employees to be 10 per day and 60 per week.

(f) the factory act says that hours of labour for female employees should be 10 per day and 55 per week.

Table 7.

Samples of Wages and Hours of labour for common
labour in factories.

		1929		1932		1933	
		<u>Wages per hr.</u>	<u>Hrs. per wk.</u>	<u>Wages per hr.</u>	<u>Hrs. per wk.</u>	<u>Wages per hr.</u>	<u>Hrs. per wk.</u>
Nova Scotia-	Maximum	.35	50	.35	55	.35	55
	Minimum	.319	47	.28	50	.28	44
New Brunswick-	Max.	.305	50	.364	49½	.364	49½
	Min.	.28	48	.23	40	.23	40
Quebec-	Max.	.35	60	.42	60	.42	60
	Min.	.25	49½	.25	13	.21	30
Ontario-	Max.	.50	60	.489	64	.489	60
	Min.	.30	43½	.255	16	.25	20
Manitoba-	Max.	.425	50	.425	54	.45	54
	Min.	.30	44	.30	27	.27	40
Saskatchewan-	Max.	.40	60	.36	65	.35	60
	Min.	.35	48	.20	33	.163	30
Alberta-	Max.	.55	49½	.50	48	.50	49½
	Min.	.30	44	.30	44	.30	44
British Columbia-	x.	.50	50	.475	50	.475	48
	n.	.30	44	.235	36	.20	36
Lowest for all provinces-		.25		.20		.163	
Highest for all provinces-		.55	60	.50	65	.50	60

Department of Labour- 1933.

Chapter 4.

The question of wages is of course of major importance to the employed wage earners and to obtain an adequate picture of the wages which should be paid we must look at the various provinces which have minimum wage acts in force and the requirements set out by these acts. In Nova Scotia the Minimum Wage for Women Act was passed in 1920. It set up a Minimum Wage Board of five members of which two will be women. The Provincial Treasury pays the expenses of carrying out this act. The Board shall have power: (a) To establish a minimum wage after due inquiry and the maximum number of hours per week for which such minimum wage shall be paid. The Board may establish a wage for all-time work in excess of the maximum number of hours. (b) To establish a wage lower than the minimum wage for any handicapped employees or for a part-time employee. (c) To vary, suspend and revise any of its orders in accordance with special or changed conditions in any industry or industries on petition of employees or employers. (d) To make different orders for the same industry in different localities of the province. This act applies only to cities and towns.

In New Brunswick a Minimum Wage Act was passed in 1930 with the same provisions as that of Nova Scotia's, providing for the setting up of a Minimum Wage Board, but so far none has been established. There are in effect in the other seven provinces of Canada Minimum Wage Acts which provide for the setting up of Minimum Wage Boards. These provide for minimum rates of wages for female employees in certain industries and also have certain restrictions of hours. In British Columbia similar legislation applied to males both as to wages and hours. In Alberta and Manitoba the legislation applies to males in certain

respects. The various acts in the provinces on Minimum Wages are quite similar to that of Nova Scotia in their main purpose. Minimum wage legislation was first enacted in the provinces as follows: British Columbia and Manitoba in 1918; Saskatchewan and Quebec in 1919; Alberta, Nova Scotia and Ontario in 1920. There are a few differences in the various Minimum Wage Boards as to the number of members. On the Quebec board there are 4 members; on the Ontario 3, one of which is a woman; Manitoba has 5 members, one a woman; Saskatchewan 5 members, 2 of whom are women; Alberta 3; British Columbia 3, one of whom is a woman.

In Table 6, page 44, we have the minimum wages and the maximum hours of labour for female employees as set by the various Minimum Wage Boards with reference to factories and shops. For British Columbia and Saskatchewan the minimum wage is \$14.00 per week for factory workers. For the other 5 provinces the minimum wage is considerably lower. Nova Scotia and Quebec have no rates set up for the wages for retail store employees, while the rates for the other 5 provinces vary greatly in this respect. In Table 7, page 45, we have a few actual samples of wages which are received by the common labourers in factories throughout the Dominion which present a very conglomerate picture. The highest wage per hour was .55¢, while the lowest was .16¢. In Quebec recently an amendment to the minimum wage law now forces employers to pay women's minimum wages to any boys or men engaged in doing work classified by the commission as falling into the category of women's occupation. This was done because many employers, in order to get around paying the minimum wage, were hiring boys and men to do the work which girls and women formerly did.

In Ontario the Department of Labour's report for 1933 is of interest regarding the Minimum Wage. It reports that the Ontario Minimum Wage Act was designed to prevent the reduction of wages for girls and women below the level required to maintain a decent standard of

living. It was never expected that the rates established by the Board would be considered fair wages regardless of services rendered. Minimum wage legislation in order to be effective must be regarded as a safeguard against undue exploitation of workers which results in a lowering of the standard of living below the subsistence level. Efforts to reduce the minimum rates established after careful investigation must be resisted unless it is established that the cost of living for those affected has been reduced below the level existing at the time the rates were established and that employers would be willing to have the rates increased without delay when the cost of living rises. However those who have given the matter consideration are convinced that it is better to maintain existing rates rather than attempt to keep them in step with the cost of living statistics.

The need for such protective legislation is revealed by the fact that during the past year there has been certain evidence of a tendency to replace girls and women by boys and men in certain industries which are subject to cutthroat competition and which are finding it difficult to maintain the established minimum wages for female employees. Such a tendency must be checked at the outset if the standard of living for industrial workers is to be maintained on a self-supporting basis. This practice inevitably leads to the subsidizing of such industries through the supplementing of the wages by direct relief. The extent to which wages have been decreased during the past three years is indicated by the fact that for the first time in the history of the Department of Labour, representatives of both employers and certain groups of employees in several industries have recently requested that action be taken to regulate the wages of male employees. Heretofore all branches of organized labour have been decidedly opposed to minimum wage regulations for men, fearing that the minimum rates would become the established rates and that the unions

would be unable to secure higher wages through agreements and negotiations. It was also feared that if the government undertook to regulate wages and hours, the prestige and usefulness of unions as representatives of the workers would be adversely affected.

The official policy of trade unions which is opposed to minimum wage legislation has not changed but there are indications that opposition to such legislation is breaking down. The change in attitude is due to the fact that the prolonged period of unemployment has resulted in many industrial workers being willing to work for whatever wages are offered, so that it has become impossible to maintain established wage rates except in highly organized industries in which the work is not seasonal and in which unemployment is comparatively light. Perhaps the most significant development during the past year has been the change in attitude on the part of industrial workers. The past few months have witnessed a decided increase in industrial disputes, strikes and protests of various kinds from both the unemployed and those whose wages and salaries have been reduced to the point where a decent standard of living cannot be maintained.

It is all right for Canada to pass minimum wage laws but if the employers due to competition and other economic factors find it impossible to pay them to their employees, then abuses immediately creep into the situation. For example, the employers simply fire several of the staff and make the others work harder; or else they get around the act by more indirect means as it has been discovered by the Royal Commission. An increase in prosperity, that is, of real wages as distinguished from nominal wages, depends upon increased efficiency. This is the principle of the minimum wage by increasing the efficiency of the women workers, also increases the general prosperity of a community, then it is abundantly justified. High wages are "good business" if they increase efficiency, and before we arrive at a final conclusion with regard to the

minimum wage, strictly from an economical standpoint, we must find out whether, with higher wages, the efficiency of the workers receiving them has been increased. If by increasing their feeling of well-being, by improving their health through better food and better living conditions, it has increased their efficiency as workers, it is worth the money to maintain it. If it has merely raised the standard of living to a more or less luxury standard, then from an economic standpoint it would be hard to justify.

The decline in the income of wage earners during the period of the depression which has been so obvious is a resultant of three factors.¹ First a reduction in the number of employed workers. Secondly a reduction in the working period of those still employed, either through a shorter working day, or a shorter working week, or temporary lay-off. And thirdly, a reduction in the rate of wages or salaries. The industrial division for which statistics are prepared annually by the Dominion Bureau of Statistics are manufacturing, steam and electric railways, mining, telephone and telegraph. From Table 8 it will be seen that the total payment of wages and salaries in 1932 was 62.8% of the total for 1929. For manufacturing the percentage was 62.6% of that of 1929. The average number of employees by industrial divisions is shown in Table 9. While the figures have some value in indicating the trend in employment from year to year, they do not show the spreading of work among employees or the reduction in the length of the working day or working week. In general the figures in Table 9 show that the percentage decline in the average number of employees from 1929 to 1932 was less than the reduction in the amounts paid as salaries and wages. The relative position of the industrial divisions is roughly the same in the matter of employment as for the amount of salaries and wages paid. Although a more adequate picture of the

1. Following paragraphs are in part a summary of A.S. Whitely's article "Workers During the Depression"--The Canadian Economy and its Problems.

effects of the depression upon workers would be gained by comparing the trend in payments to employees on wages with those of salaried workers, the statistics available for the manufacturing industries do not permit of such comparisons.

Little information is available to show changes in the rate of earnings for workers during the depression. Figures for actual payrolls either weekly or monthly are needed to fill this gap in our statistical knowledge but so far no agency in Canada has undertaken their collection on a wide scale. We are forced to fall back on the figures for earnings prepared by the Ontario Workmen's Compensation Board in connection with the rate of compensation to be paid to injured workers. The weekly earnings that are published appear to cover both salaried employees and wage-earners, and both male and female employees. In so far as these figures are reliable they indicate that nominal rates of wages have been maintained at a fairly high level. The index for all classes of workers in Ontario has paralleled the cost of living index for the Dominion, from 1929 to 1933. But the cost of living in Ontario has probably fallen somewhat less than the average for the Dominion. From this may be concluded that workers who enjoyed full-time employment throughout the depression have suffered no loss in their real earnings and in many cases have actually had an increase. But if according to census figures in the first year of the depression, almost 40% of the wage-earners in the Dominion had been employed for only a little more than half a year. In 1932 and 1933 both the proportion of workers losing time and the period of unemployment must have been greatly increased.

The maintenance of the workers who have not been able to earn sufficient to provide for themselves has consequently fallen upon governmental bodies, Dominion, provincial and municipal. The extent to

which the provision of relief or of payment on relief work have sufficed to make up for the reduction in payments by industries may be gauged by comparing the decline in the amounts paid out as salaries and wages with the expenditure of governmental bodies. The amounts paid out in 1932 by those industries given in Table 8 was \$300.000.000 less than in 1929, if an adjustment is made for reductions in the cost of living. In the fiscal year 1932-33, the total expenditures for direct relief by all governmental bodies in Canada was less than \$27.000.000. If the expenditures for other forms of relief were as large, and it is probable that they were only about one half, the total expenditures for all forms of relief would be a little more than \$50.000.000. All this relief, however, was not confined to the workers covered by Table 8 as these formed less than half of the total number of workers in the country. In Ontario for 1933, the payrolls of industries covered in Table 10 were roughly \$190.000.000 less than in 1929, measured in 1929 dollars. To offset this shrinkage there were payments of not more than \$40.000.000 for relief and this sum was paid to a much larger group than that covered by our Table. In addition to such sums as are paid by governmental bodies, the shrinkage in incomes is offset by charitable disbursements, unpaid services of doctors and other professional workers, etc. However, even with these additions, together with relief payments, these sums fall far short of bridging the gap caused by the reduction in industrial payments.

Labour income in Canada in relation to 1929 has been maintained at a much higher level. This does not indicate, of course, the relation between earnings in Canada and the United States for 1929. The Federal Reserve Board Index for payrolls in manufacturing industries in the United States stood at 42.0% in 1932, and 44.1% in 1933. The index for Ontario given in Table 10 and weighted to some extent by

non-manufacturing industries such as mining, lumbering and construction was 60.3% in 1932 and 52.4% in 1933. These figures suggest that while the decline in payrolls in Canada was not so severe as in the United States, the rise in wage payments by industries in the United States has proceeded more rapidly than in Canada. From Table 12 we can compare labour income in Canada and the United States for 1932. From the Table we see that Canada is in a slightly better position than her neighbour.

Although the figure in Table 11 for average weekly earnings in certain industries in Ontario showed that the average earnings fell at about the same rate as the cost of living, such statistics are practically useless as indications of the presence or absence of exploitation or sweating of labour. Generally speaking the exploitation of labour takes place in certain groups of workers or in particular communities and this localization is concealed by the use of averages. To say that the average annual income of workers in a particular industry is \$1000 when some workers receive \$1500 and others \$500 is meaningless so far as it is used to indicate the relative well-being of individual workers. While it is possible to make approximations of the flow of labour income, available statistics do not permit us to show what income is being received by each of the various sections which form the working classes of this country. That employers have taken advantage of the weakened bargaining powers of the workers to force down wage scales is clear from the evidence which has already been presented to the commission of the House of Commons on Price Spreads and Mass Buying. Instances of male workers being paid at the rate of .15¢ an hour, and female employees being paid even less appear in the printed evidence of the commission. Because of the low rates and short time employment, cases of workers earning less than \$10.00 per week and some of them as low as \$4.00 per week were cited. The Department of Labour calculates that \$15.00 a week is needed to provide the necessities for a family.

It is quite obvious that a decent living cannot be provided out of the wages which are now being paid to the majority of Canadian workers.

The Royal Commission on Price Spreads and Mass Buying has yet to make its official report, but the evidence as collected so far has several illuminating facts to show us regarding wages in various industrial branches. With regard to the needle trades it is stated that there are extreme variations in the wage rates. There are extreme and unfair differences in costs, and wage rates and earnings are often exceedingly low. Frank exploitation of labour has been common, and there are frequent and continuous violations of the laws about employment conditions, hours and wages. The labour and wage conditions in this branch of Canada's industrial activity are such as to merit the most emphatic condemnation. They should not be tolerated in any state that claims to call itself civilized. In the boots and shoes industry, results from a limited number of factories effectively confirm the suspicion of low wages suggested by the annual average wage figure \$764 and make it impossible to avoid the conclusion that a significant part of the industry is of the sweat-shop type. In furniture, the evidence points to the fact that this industry provides one of the best examples of the power of mass buying to exploit a trade situation with disastrous results for labour. In the baking trade, there are no special criticisms expressed beyond a statement that independent bakers in the smaller cities have the worst wage record. As regards to the packing industry, the evidence shows that on the whole, while in some cases wages paid in this industry are extremely low, yet in general the workers, most of whom are male, are more fortunate in respect to wages than they are in other industries. There is, however, no excuse whatever for any concern paying even a minority of its workers wages as low as some that were

found in one plant of the largest and one of the most profitable members of the industry whose name was not given.

In the tobacco trade the evidence indicates that low wage rates prevail throughout the industry due to the predominant position of the two largest manufacturers in this prosperous industry, this condition can be attributed to them. With reference to the 'implements' industry the evidence shows that it is to the credit of the industry that though suffering the greatest decline in production of all Canadian industries, a reasonable fair wage standard was maintained throughout the depression. The rubber industry seems to have avoided any ruthless price and wage cutting. In the woollens branch of industry the evidence points to conditions which are comparatively good, though some firms are paying wages which are fair neither to their workers, nor to the more progressive members of their own industry. The silk industry should at least have relieved the picture of low wages that was presented to the commission. Here, employment, production, profits and total wage bills had increased through the depression; notwithstanding, there was a drop of more than 8% in wage rates between 1929 and '32 with the natural silk industry being primarily responsible. In some silk mills, and the wage record of certain silk factories in Quebec, in respect to violations of the minimum wage laws, is not unworthy to be put alongside the worst example in the clothing industry. For hosiery and knit goods, in view of general conditions, labour conditions are probably not worse, on the whole, than could be expected. In reference to department stores, on the whole it can be said that conditions here and in mail-order houses compare favourably with the known conditions for retail trade in general. While conditions of employment are as good as, or better, than those which prevail generally in retail trade, this is far from saying that they conform to any advanced standards of employees' welfare. The evidence points out with regard to variety chains that severe criticism

is expressed of wages paid, particularly to women. While the girls were working at these wages (95% under \$10.00 per week) the company was also content. It declared an 80% stock dividend. The excuse given by most executives of chain stores for these low wages was inability to pay more, much as they desired to. This would hardly apply to the largest variety chain. In 1932 it made a net profit of \$1,800,000. This money went to New York. A 10% wage reduction went to thousands of the company's employees in Canada. Obviously the situation regarding these conditions is unsound and unjust. Employees whether in industry or in trade stores are entitled to receive better wages than they have been getting. Although wages fall during depression still there is no excuse for employers to take undue advantage of the weakened bargaining powers of workers by exploiting them. The sooner such conditions as these are bettered the more beneficial will it be to everyone directly or indirectly concerned.

It is extremely difficult to determine accurately the effects of the depression upon the standard of living of the workers. There is no average standard of living. The working class is made up of individuals each living his own life and trying to provide for the welfare of himself and his dependents as best he can. The worker who has been fortunate enough to have had a steady income at a fairly remunerative level during the past 4 years and who has not had to give aid to others less fortunate, has probably advanced his standard of living slightly during the depression as a result of the decline in the prices of consumers' goods. But for the mass of Canadian workmen, who, even in the best of times, secure an annual income barely sufficient for their needs, the depression must have caused a serious lowering in the standard of living.

So far as the health of the Canadian worker and his dependents is concerned, it does not appear to have been impaired. The sharp fall in the prices of food products and the tendency of relief

agencies to allocate specific amounts of relief payments to food purchases have tended to prevent any serious increase in malnutrition. Free services provided by the medical profession and hospitals have tended to maintain the health of the working class. Whether there is a slow deterioration taking place in the health of persons on relief cannot yet be determined, but some medical authorities believe that serious after-effects, particularly in the case of children, will later appear because of the period of privation that is now being experienced.

The standard of living of workers has probably suffered most severely in the matter of housing, clothing and all those incidentals which add colour and life to that which otherwise may be a bare existence. While figures are not available to show accurately the extent to which curtailment has been forced in these aspects of living, there is little doubt that workers have greatly restricted their purchases of clothing, foot-wear, furniture and other durable consumers goods. That the standard of housing must have fallen seriously is shown by vacant dwellings on the one hand and the use of one home by two or more families on the other. From Table 13, which is taken from the results gathered by a survey on housing conditions in Hamilton for the years 1930-1, we can see the number of forced moves during the last two years. From this table we have the total number of separate forced moves as 262. Several other reports generally tend to prove the obvious fall in the standard of housing. The fact that of all families who changed their dwellings in the past two years, 37.4% were forced moves was also stated as a result of this survey. 20.2% of all tenants were forced to move during the past two years because they were unable to pay rent. 62% of all tenants (renters) moved at least once during the past two years. 53% averaged more than 1 person per room, and 18% of the households averaged 3 persons per bedroom. Although the figures are only for Hamilton, still they can be said to represent in a general way the

trend of the standard of housing throughout the country. When relief agencies allow from \$10. to \$15. per month for rent it is clear that families on relief must either accept very poor houses or share their houses with others.

Table 14 gives us a general idea of the trend of the index numbers of the rates of wages for various classes of labour in Canada for the past 20 years. A comparison is made between common factory labour, miscellaneous factory trades and the building trade. Taking 1913 as the base year the tendency has been for a steady rise since 1911 up to 1929, after which they all begin to fall rapidly. It is also noticed that the peak was reached in 1920 following which there was a slight drop for 2 or 3 years. On the whole the rates of wages for common factory labour and for miscellaneous factory trades have shown a steadier trend over this 20 year period than that of the building trade. In Table 15 we have an interesting picture as given by the average yearly earnings by age groups of persons gainfully employed. From this we see that the women reached their highest earning power between the ages of 35 and 44, while the men reached them between the ages of 45 and 54.

In Table 16 we have the cost of living figures, and the wages for unskilled labour from 1919 to 1932 along with their real wages and the adjusted real wage. Their adjusted real wages have fallen since 1927, while the percentage of unemployment has increased. Tables 17 and 18 give us a clear picture of the wage index, the real wages and the adjusted real wage for factory trades and for labourers as a class, also showing the percentage of unemployment. The wage index has fallen since 1929 but real wages have risen. This is due to a more rapid decrease in the cost of living than in wages. The adjusted real wage gives us the accurate picture since it is weighted with the percentage of unemployment and real wages have fallen since 1928.

Real wages for full-time workers have risen steadily from 1919 to 1932 by about 35%. During the depression of 1930-34 the factor of unemployment became so important as to indicate a difference between the standard of living of those in steady employment and those on short time employment or unemployed. The weighted average earnings for all industries was \$927 per year in 1931, as seen from Table 15. In manufacturing earnings were \$1,038. which are comparatively high and are maintained by the tariff at the expense of those industries that get lower earnings. There are in this class nearly half a million workers. However earnings in trade were better than those in manufacturing by \$112. The highest earnings have been maintained by union rules and influence. They are composed of trades and occupations that require skill and training. On the whole the picture as presented by these different facts does not offer a very satisfactory outlook. The depressing conditions as now being experienced by Canadian workmen should if at all possible be ameliorated. Their standard of living has been adversely affected and although we must take cognizance of the depression still there are many ways in which the conditions as now existing in Canadian industry and trade could be bettered. Whether this is to be done by means of a minimum wage which is uniformly passed for all of Canada and whereby a worker can maintain a decent standard of living is doubtful. Every unscrupulous employer is anxious to have a wage advantage over his competitor and with labour so plentiful he can establish any scale of wages he desires and eventually compel all his competitors to come down to his level. The unemployed has no choice because he knows that the market is flooded with such services as he may have to offer. He must be content to resign himself with a choice between city relief or whatever wage is offered to him by his prospective employer. Such is the present

position of the majority of Canadian workmen and their sorry plight must be lightened in some way or other and as soon as possible.

Table 8.

Salaries and Wages by Industrial Divisions in Canada- 1929- 1932

	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>
Manufacturing	\$788,117,296	\$712,619,997	\$604,093,182	\$493,152,874
Steam & Electric R'y.	317,716,561	295,302,368	254,146,896	202,698,007
Mining	124,490,511	113,975,332	91,969,299	71,772,049
Telephone & Telegraph	41,052,056	40,760,401	36,368,310	30,743,150
Total	1,271,376,424	1,162,658,098	986,577,687	798,316,080

Percentages of the above figures to the 1929 figures

Manufacturing	100	90.4	76.7	62.6
Steam & Electric R'y.	100	93.0	80.0	63.8
Mining	100	91.6	73.9	57.7
Telephone & Telegraph	100	99.3	88.6	74.9
Total	100	91.5	77.6	62.8

A.S.Whiteley- " Workers during the Depression "
The Canadian Economy and its Problems.

Table 9.

Number of Employees by Industrial Divisions in Canada- 1929-1932

	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>
Manufacturing	676,433	627,003	543,325	486,077
Steam & Electric R'y.	206,647	192,825	171,704	148,639
Mining	95,102	89,200	72,809	61,470
Telephone & Telegraph	35,515	33,906	30,462	27,142
Total	1,013,697	9,429,934	817,800	723,328

Percentages of the above figures to the 1929 figures

Manufacturing	100	92.7	80.3	71.9
Steam & Electric R'y.	100	93.3	83.1	71.9
Mining	100	93.8	76.6	64.6
Telephone & Telegraph	100	95.5	85.8	76.4
Total	100	93.0	80.7	71.4

From same source as Table 8.

Table 10.

Payrolls of Industry Groups, Ontario- 1929-1933
(payroll in thousands of dollars)

<u>Industry Group</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1933</u>
Forest Products	49,568(000)	44,354	30,527	21,573	19,174
Furniture & Printing	43,211	39,566	35,875	29,278	27,137
Mining	42,861	40,918	33,421	27,203	26,835
Heavy Metal Industries	40,690	36,385	26,519	16,290	12,518
Light Industries	163,670	139,396	110,225	95,705	83,580
Food, drink, clothing & tobacco	109,552	103,550	95,981	91,160	85,076
Construction & Building	75,439	61,854	59,362	33,638	19,425
Electric Power	5,627	6,009	5,446	4,895	4,078
Total	530,618	472,032	397,356	319,742	277,823

Percentages of the above figures to the 1929 figures

Forest Products	100	89.5	61.6	43.5	38.7
Furniture & Printing	100	91.6	83.0	67.8	62.8
Mining	100	95.5	78.0	63.5	62.6
Heavy Metal Industries	100	89.4	65.2	40.0	30.8
Light Industries	100	85.2	67.4	58.5	51.1
Food, drink, clothing & tobacco	100	94.5	87.6	83.2	77.7
Construction & Building	100	82.0	78.7	44.6	25.8
Electric Power	100	106.8	96.8	87.0	72.5
Total	100	89.0	74.9	60.3	52.4

From same source as Table 8.

Table 11.

Average Weekly Wages in certain Industrial Classes in Ontario -1929-1933¹
Percentages of the 1929 figures.

<u>Class</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>
Bakeries, Canning etc.	\$21.73	\$21.67	\$20.86	\$19.19	100	99.7	96.0	88.3
Light Metals & Machinery	21.66	21.46	19.67	18.81	100	99.0	90.8	86.8
Printing & Stationery	20.06	20.22	20.83	19.94	100	100.7	103.8	90.6
Textiles	17.24	17.78	16.36	15.71	100	102.9	94.7	90.9
Non-metallics & Chemicals	24.37	24.12	22.56	22.03	100	99.0	92.1	90.4
Clothing Laundries	20.07	20.14	18.68	17.49	100	100.3	90.0	80.4
Leather & Rubber Products	23.20	20.56	18.36	17.23	100	88.6	79.1	74.2
Automobiles etc	26.62	26.41	23.83	21.93	100	99.1	89.5	82.3
Heavy Metals	23.19	23.14	21.05	18.84	100	99.7	90.7	81.2
Animal Products	22.53	20.96	21.47	18.90	100	93.0	95.4	83.4
Light Metals	24.44	21.72	19.45	16.55	100	88.8	75.4	67.7
Furniture etc	20.50	20.29	18.28	16.15	100	99.0	89.1	78.7
Milling	24.36	23.03	21.92	20.66	100	94.5	90.0	84.8
Rolling Mills	29.09	27.23	23.95	18.24	100	93.6	82.3	62.7
Brick, Cement etc	23.80	22.83	21.28	18.94	100	95.9	89.4	79.5
All Classes-2	23.85	23.23	21.36	18.49	100	97.9	89.5	81.7
Cost of Living (Canada)					100	99.2	89.6	81.4
							1933-	78.0

1- Stated to be based on average of earnings actually received.

2- Includes governmental and other employees.

From same source as Table 8.

Table 12.Comparison of Labour Income in Canada and United States -1932
(1929- 100)

<u>Industry</u>	<u>Canada</u>	<u>United States</u>
Manufacturing	62.6	46.5
Mining	57.7	41.3
Steam & Electric R'y.	63.8	---
Telephone & Telegraph	74.9	---
Transportation	---	57.7
Communications'	---	76.1

Table 13.Number of Moves in Two Years in Hamilton 1931(i.e. moves through inability
to pay rent)

<u>No. of moves</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>total</u>
Dep't. Pub. Health	12	11	3	3	-	2	31
Gen. Bur. Fam. Wel.	18	4	17	2	-	1	42
V. O. of Nurses	8	7	3	1	-	-	19
Samaritan Club	3	6	1	-	-	-	10
All others	8	7	5	1	2	-	23
Totals	49	35	29	7	2	3	125

Taken from figures of housing survey
in Hamilton 1931

Table 14.

Index Numbers of Rates of Wages for Various Classes of
Labour in Canada- 1911 to 1933 (1913= 100).

<u>Year</u>	<u>Common Factory Labour</u>	<u>Miscellaneous Factory Trades</u>	<u>Building</u>	<u>Average</u>
1911	94.9	95.4	90.2	92.4
1912	98.1	97.1	96.0	96.0
1913	100	100	100	100
1914	101.0	103.2	100.8	101.3
1915	101.0	106.2	101.5	101.4
1916	110.4	115.1	102.4	105.8
1917	129.2	128.0	109.9	119.9
1918	152.3	146.8	125.9	143.9
1919	180.2	180.2	148.2	165.3
1920	215.3	216.8	180.9	197.9
1921	190.6	202.0	170.5	191.2
1922	183.0	189.1	162.5	182.5
1923	181.7	196.1	166.4	183.3
1924	183.2	197.6	169.7	183.7
1925	186.3	195.5	170.4	180.0
1926	187.3	196.7	172.1	180.8
1927	187.7	199.4	179.3	184.8
1928	187.1	200.9	185.6	187.4
1929	187.8	202.1	197.5	192.7
1930	188.2	202.3	203.2	194.4
1931	183.4	197.3	195.7	191.8
1932	173.6	184.3	178.2	181.4
1933	168.1	175.7	158.0	172.6

Canada Year Book

Table 15.

Average Yearly Earnings by Age Groups - 1931

<u>Age Groups</u>	<u>Male</u>	<u>Female</u>
All ages	\$927	\$560
17 and over	270	251
18 - 19	405	376
20 - 24	613	534
25 - 34	899	698
35 - 44	1170	759
45 - 54	1203	698
55 - 64	1072	570
65 - 69	899	422
70 and over	791	340

Dominion Bureau of Statistics

Table 16.

Wages for Unskilled Labour - 1919 to 1932

(1926=100)

<u>Year</u>	<u>Cost of living</u>	<u>Wage index</u>	<u>Real Wages</u>	<u>Percentage of Unemployment</u>	<u>Adjusted Real Wage</u>
1919	107.2	96.3	89.9	3.4	86.8
1920	124.2	114.9	92.4	4.9	87.9
1921	109.2	101.8	93.2	12.7	81.3
1922	100.2	97.8	97.7	7.1	90.8
1923	100	96.8	96.8	4.9	92.1
1924	98	97.9	99.9	7.2	92.7
1925	99.3	99.7	100.3	7.0	93.3
1926	100	100	100	5.1	94.9
1927	98.4	100.1	102	4.9	98.0
1928	98.9	100	101.1	4.5	96.6
1929	99.9	100.1	100.1	5.7	94.4
1930	99.2	100.1	100.8	11.1	89.6
1931	89.6	96.0	107.0	16.8	89.0
1932	81.5	92.6	113.6	22.0	88.6

Table 17.

Wages of the Factory Trades - 1919 to 1932
(1926=100)

<u>Year</u>	<u>Cost of living</u>	<u>Wage index</u>	<u>Real Wages</u>	<u>p.c. of unemployment</u>	<u>Adj'd R.W.</u>
1919	107.2	91.7	85.5	3.3	82.68
1920	124.2	100	88.5	5.9	83.3
1921	109.2	101.3	92.8	16.4	77.6
1922	100.2	96	95.8	8.7	87.5
1923	100	99.9	99.9	6.2	93.7
1924	98.0	101.1	100.2	10.2	91.6
1925	99.3	99.3	100	10.6	89.4
1926	100	100	100.0	6.4	93.6
1927	98.4	101.3	102.8	6.6	95.9
1928	98.9	102	103.1	5.5	97.4
1929	99.9	102.3	102.4	6.3	95.9
1930	99.2	101.3	103.1	10.2	92.5
1931	89.6	100.1	111.9	16.1	93.9
1932	81.5	93.6	114.7	22.7	83.7

Table 18.

Wages of Labour as a Class - 1919 to 1932
(1926=100)

1919	107.2	91.5	85.1	3.4	83.2
1920	124.2	109.5	81.1	4.9	77.1
1921	109.2	105.9	96.7	12.7	84.5
1922	100.2	101.1	101.1	7.1	94
1923	100	101.5	101.5	4.9	96.6
1924	98	101.7	103.8	7.2	96.4
1925	99.3	99.5	100	7	93
1926	100	100	100	5.1	94.9
1927	98.4	102.1	103.8	4.9	97.9
1928	98.9	103.2	104.3	4.5	99.6
1929	99.9	106.8	107	5.7	100.9
1930	99.2	107.8	108.6	11.1	96.6
1931	89.6	106.2	118.3	16.8	98.4
1932	81.5	99.0	120.7	21.5	94.7

Chapter 5.

The problem of unemployment is now of major importance to Canada. She is faced with the task of looking after these thousands of workers who have lost their jobs as a result of the depression. The relief expenditures are steadily adding to the debts of the various governmental bodies throughout the Dominion, which debts only go to increase and spread the burden among other people in the community who are finding enough troubles as it is at their doors without being made to bear more than their share. This problem is a difficult one in Canada due to the highly seasonal character of several of her industries thus creating the problem of seasonal unemployment along with cyclical and technological unemployment.

According to the census of 1931, of the 2,566,001 wage earners in Canada, 435,252 were not at work on June 1, 1931 because of no job or being temporarily laid off, almost 17%.¹ In April, 1933 employment reached its lowest point and the number of wage earners had declined by 513,000 for manufacturing and construction workers. If the entire shrinkage in employment resulted in unemployed wage earners, the total number of wage earners out of work in April 1933 would be 876,000 compared with the figure for June 1, 1931. About 45% of the whole of the shrinkage in employment is accountable to stagnation in the construction industry and in the factories and the mines engaged with regard to the production of durable goods generally. By the time the

1. Following paragraphs are taken from A.S. Whitely's article "Workers During the Depression" -- The Canadian Economy and its Problems.

lowest point in the depression had been reached it would be expected that both the proportion of wage earners losing time and the average period of unemployment would be increased considerably. Figures for wage earners alone, however, do not give a complete picture of the effect of the depression on workers. A considerable part of the working population is made up of independent workers as distinct from hired employees, although independent workers on the whole may not have suffered as severely as wage earners, their earnings have been reduced greatly and many must have been forced to give up their professional or business activity.

A more detailed picture of the trend of employment may be secured from Table 19 based upon the figures given in the annual review of employment issued by the Dominion Bureau of Statistics. Since earnings have tended to decline to a greater extent than employment, because of the reduction in rates of pay and hours of labour not reflected in statistics for employment, we are in a position to note those fields of economic activity in which the depression has been most seriously felt by non-agricultural workers. We must note here that manufacturing was pretty badly hit. Approximately 80% of the number of employees engaged in manufacturing industries in Canada are employed by plants in Ontario and Quebec--roughly 50% for Ontario and 30% for Quebec. From Table 20 we have the trend of employment for wage earners in Canada by months for the years 1929--33 inclusive. In April 1933 employment reached its lowest point. From October 1929 until April 1933 it had been decreasing steadily. From April 1933 on employment has been increasing, although somewhat slowly. The figures in the table do not represent an accurate measure of the volume of unemployment since the size of the working

force of the country varies. The figures in Tables 19 to 29 are H.M. Cassidy's figures and are considered about 10% too high. The occupational fluidity or mobility which characterizes the Canadian labour force and particularly the unemployed residuum make it hard to get definitely accurate figures for unemployment.

Tables 21 and 23 present a picture, as accurate as possible, of the trend of unemployment by provinces and by groups of industries. These trends show a steady increase from 1928 on, but the figures for 1934 are somewhat encouraging, decreasing in every case except that of Quebec, while the percentage trend of unemployment for miscellaneous manufacturing industries has increased considerably for 1934. The best year for Canada as a whole after 1919 was 1928 when the percentage of unemployment was 4.2 as compared with 22.8 in 1932. The same results can be seen from Table 24, which gives us the index number of employment by economic areas in Canada. British Columbia and Quebec are more severely affected than the other areas. Table 22 presents much the same picture except that here the index numbers of employment are given by industries, and manufacturing is the hardest hit. Table 25 gives the average number of weeks of employment by age groups. In this we see that employment is more constant for women, which may be explained by the fact that men are employed in highly seasonal occupations. Female labour gets its best average employment 10 years before it gets its best average pay. Men's best average employment is between the ages of 35 and 44, possibly later in this group. They reach this height later than women because they take more time in selecting a permanent position than do women. The employment for men falls off more rapidly than it does for women after the 35-44 age group.

Seasonal unemployment is necessarily a big problem in

a country situated as far north as Canada with all its major industries situated within a few degrees of latitude. Those employed in the construction trade have the highest seasonal unemployment. Coal miners, long-shore men, labourers and tailors are highly seasonal. The employment for women does not show nearly as high a seasonality as that which men experience. Table 26 gives us the picture for the years 1929-1931 of workers unemployed in Canada by industrial groups. The trend of unemployment is seen to be increasing rapidly from 1929. Manufacturing and construction were both seriously affected. In Table 27 we have the trend of unemployment by months for the years 1929-1932, taking only manufacturing, construction and trade as the industrial groups to be considered. The steady increase in unemployment is clearly evident from these figures. The seasonality of unemployment in the three industrial groups just mentioned above may be observed from Table 28. Unemployment is greatest in the construction industry during the winter months, as would be expected; while for the trade industrial branch of activity, unemployment is lowest during the winter months. Table 29 shows us the percentage distribution of unemployment among these three industrial groups in Canada by months from January, 1929 to March, 1932. Construction was hit harder than manufacturing at first but manufacturing soon suffered from the effects of the depression and unemployment steadily increased in this industrial group up to March, 1932.

To sum up, the picture of the trend of unemployment is a depressing one to say the least. The effects that unemployment has upon the workers themselves is even more so. Of the less tangible but probably more important aspects of the effects of the depression upon the workers we may cite the conclusions of the Unemployment

Research Committee of Ontario. " Unemployment has interfered with the normal mode of life of the unemployed in a dozen and one ways. It has made for fewer marriages and fewer births, and probably for a greater number of illegitimate births; for a greater number of suicides; for wives working and husbands staying at home; for discontent and unrest, and the development of bad habits among girls and boys of the school-leaving age; for over-crowding in the home; for family friction and disagreement and for an increased number of deportations and the consequent disruptions of the plans and aspirations of immigrant groups. It has induced attitudes of discontent, unrest and suspicion of established institutions in many people. The fact of drawing relief over long periods bids fair to develop in many an attitude of dependence. The effect of unemployment upon the workers and their families must be to make them poorer citizens and poorer workers. Our most precious asset, the good quality of our population, is threatened with serious deterioration if unemployment continues."

The burden of unemployment is primarily a provincial and municipal responsibility but since it has become so general throughout Canada as to constitute a matter of national concern, in 1930 it became desirable that assistance should be rendered by the government of Canada towards the relief of such unemployment. As a result the Dominion government has passed an Unemployment Relief Act every year since 1930, including that year, appropriating certain moneys out of the Consolidated Revenue Fund of Canada to assist the various provincial and municipal governments throughout the Dominion. These moneys may be used for such purposes and under such terms and conditions as may be approved by the Governor-in-Council. The said money may be used in granting aid to provinces and municipalities

in any public work which they may undertake for the relief of unemployment, and also to reimburse the expenditures made by the provinces and municipalities in connection with unemployment, and generally in any way that will assist in providing useful and suitable work for the unemployed. There were certain regulations made regarding the different proportions of the cost for aiding unemployment which should be borne by the three governmental bodies under these acts, in respect to direct relief and public works.

The Governor-in-Council may pay out of the Consolidated Revenue Fund of Canada such moneys that in his discretion he may deem expedient to expend for relieving distress, providing employment and maintaining within the competence of parliament, peace, order and good government throughout Canada. The Governor-in-Council may enter into agreements with the governments of the provinces regarding the proportion paid to the municipalities or to the provincial governments of the expenditures for direct relief, or the proportion paid to these two bodies for their expenditures on works which provided work for the unemployed. Reasonable rates of wages should be paid and a maximum work day of 8 hours shall prevail on these works and undertakings. Administration expenses for carrying out relief measures of the municipal and provincial governments shall not be borne by the Dominion government.

An example of the agreement between Prince Edward Island and the Dominion will now be stated. The agreements between the Dominion and the other provinces followed along this line.

1. The Dominion pays to the province for distribution to the municipalities one-third of the amount expended for direct relief

where suitable work for the unemployed cannot be found. The province pays out of provincial funds for direct relief an amount equal to that contributed by the Dominion. The Dominion pays to the province one-half the amount expended by the province for direct relief in unorganized districts.

2. The Dominion pays to the province for any municipality one-quarter of the cost of approved public works undertaken to relieve unemployment. The province pays one-quarter of such cost and the municipality bears the other half.
3. The Dominion may pay the province one-half of the cost of such public works undertaken by the province to relieve unemployment, but it will only pay 40% of the costs if the works include construction of highways other than the Trans-Canada highway.
4. The Dominion may pay to the province one-half of the amount expended by the province on the Trans-Canada highway.
5. The amount to be paid out of moneys appropriated under the Unemployment Relief Act 1930 to carry on any public works and undertakings in the province of Prince Edward Island either by the province or by municipalities within the province shall not exceed \$90,000.

The other provinces made somewhat similar agreements with the Dominion except that the amount in section 5 differed in each case. The Dominion allotments to the various provinces are given in detail in Tables 30,31,32,33, which respectively designate the amounts appropriated by the relief acts for 1930, 1931, 1932^{and} 1933. Table 34 gives us the amount of employment that has been afforded to persons up until September 30, 1931 on public works as under the Relief Act of 1930. Table 35 shows the trend of the number of

individuals receiving direct relief from May 1932 to March 1934. In May 1932 the number was 597,000, and this number increased until April 1933 to 1,529,000, which was the peak of unemployment. The number fell to September 1933 when it was 964,000, but since then it has increased. Table 36 indicates the number given employment up to the end of April 1932 for the various provinces. Table 37 gives us the total expenditure on direct relief and the subsistence relief from April 1933 to February 1934. The amount for direct relief remains fairly steady, but the totals for subsistence relief show a steady increase.

The Unemployment Relief Act of 1930 which became effective in September of that year covered expenditures for carrying on public works and giving direct relief to relieve unemployment until August 1931.¹ Under the provisions of this act the Dominion government contributed \$14,396,957 to public works and \$3,556,811 to direct relief. The total cost of administration was \$43,062 and the total expenditure by the Dominion government was \$17,996,830. This expenditure resulted in public works being carried on to the value of approximately \$69,000,000 including contributions by the provinces and municipalities. Direct relief expenditures by the Dominion, provinces and municipalities totalled about \$11,000,000. Carrying on the work under the provinces, under the 1930 act afforded work to 337,633 individuals for varying periods and the amount of work being afforded was 7,481,449 man days.

1. Canada Year Book, 1933. (Page 774-5.)

The Unemployment and Farm Relief Act of 1931 became effective in August of that year. Contributions were made for the relief of unemployment up to May 1, 1932. The Dominion gave \$33,880,172. towards carrying on works by the provinces, municipalities and Dominion departments for the relief of unemployment. The total cost of such works being approximately \$81,000,000. Some works were not completed, but extension of time was given and the gross cost of such works extended being approximately \$14,778,000. For direct relief the expenditures of the Dominion government under the 1931 act amounted to \$11,643,306. at December 31, 1932. This included \$5,288,085. apportioned to the Saskatchewan Relief Commission. Expenditures for public works gave employment to 582,641. individuals to the end of November 1932, and a total of 13,251,601 man days work being afforded. The total wages paid were \$39,311,188. The number of railway-shop employees who were aided was 8,455 and the wages paid were \$1,447,222. The cost of the administration under the 1931 legislation was \$84,488.

The Relief Act of 1932 was assented to in May of that year. Under this act agreements have been completed with all the provinces except Prince Edward Island providing for a Dominion non-recoverable expenditure of 1/3 of an amount not to exceed \$600. per family, for the purpose of providing a measure of self-sustaining relief to families, who otherwise would be in receipt of direct relief, by placing such families on the land. It is provided that the remaining 2/3 of the expenditure will be contributed by the provinces and municipalities concerned. A report in 1933 indicates that 1,650 families have been approved, these families having approximately 6,859 dependents. The Dominion government has continued to contribute on the same basis as under the 1931 act to direct relief accounts received from the provinces or from the municipalities through the provinces and has also agreed

to contribute 50% to the cost of operating board camps wherein the unemployed may be cared for and given useful work to do in return for subsistence and a small cash allowance. Under the 1932 act accounts have been received and paid for direct relief amounting to \$3,953,052. The Dominion's total disbursements to all the provinces for this year was \$24,406,740. Agreements have been entered into with the four western provinces whereby the Dominion pays 100% of the cost of providing fuel, clothing, food and shelter to homeless unemployed persons at a cost not exceeding .40¢ per diem. The agreements also provide for the placement of single, homeless unemployed persons on farms at \$5. per monthly payment by the Dominion. At November 1932 the commissions administering relief to single homeless persons reported the following number being taken care of under their arrangements; Manitoba, 5,398; Saskatchewan, 2,901; Alberta, 5,993; British Columbia, 12,854.

The total advances to the Saskatchewan Relief Commission as at December 31, 1932 for relief purposes and not including advances made for the purchase of seed grain or for seeding operations amounted to \$10,250,000 of which \$5,000,000 came under the 1932 act. Up to the same date the Relief Commission had furnished the Department of Labour with certificates approved by the provincial authorities covering expenditures chargeable to the Dominion to the extent of \$8,188,188. Up to November 30, 1932, 60,000 families with 270,000 dependents had been given relief by the Relief Commission. In addition aid was given to 827 individual cases. The total number given relief being over 330,827. The cost of administration under the 1932 legislation up to December 31, 1932 was \$49,750. Under the 1933 act the total Dominion disbursements to the provinces was as follows: to public works-\$1,046,311; to direct relief-\$19,386,180; to subsistence relief-

\$7,391,143. Total relief expenditures being approximately \$28,000,000 by the Dominion government.

We must now consider the various aspects of relief as a remedy for unemployment. The tragic economic events of the last four years have forced upon the governments of Canada the responsibility of assisting the unemployed. Although reluctant to undertake this task, they have nevertheless extended their operations as the depression has continued, until to-day public unemployment relief on a grand scale is quite general. Work schemes at formed the backbone of the great relief programs for the years 1930, 1931 and 1932. However during the years 1933 and 1934 direct relief was the policy, but however there seems to be a tendency for the governments to swing back again to public work plans with the Dominion government paying the bulk of the money to erect new armories, post offices and other such buildings. In favour of relief works there can be said that they provide employment, maintain the morale of the unemployed, that they leave public improvements in their wake, and that they have provided a certain stimulus for trade and industry in general.¹ Against them it may be said that they have not been sufficient to provide nearly enough jobs for the unemployed. And in Ontario in general, schemes have provided only one class of work, pick and shovel labour. This means less work for the common labourers, and the problem arises of whether it is reasonable to put men of other trades

1.- Summary of H.M.Cassidy's article, "Relief Works as a Remedy for Unemployment in the Light of Ontario's Experience, 1930-1932" C.P.S.A.

of work on navvying jobs in times of stress when there are many who are not suited for it. Many of our relief projects have been of dubious value to the community. Typically the relief method of construction has been wasteful and inefficient as compared with ordinary commercial practice. On the whole, relief work has proven distinctly expensive as a method of relieving the unemployed, due to initiation and administration by the municipalities there has arisen a variety of problems, such as eligibility rules, wage rates and the amount of employment offered, which have varied from place to place so that there has been no uniformity of treatment for the unemployed. Recently, the problem of financing work plans has become serious for all branches of government and particularly for the municipalities.

On the other hand, relief works have proven of great service in meeting the unemployed situation and have been preferable to direct relief. Most of the difficulties experienced in Ontario were due to the haste under which these programs were begun. Much of the inefficiency characterizing the schemes may be attributed to faulty administration incidental to the performance of a rush job in a great emergency, without the development of careful policies of selecting and directing workers. If relief works are to be really successful during a depression it appears that they should be planned long in advance, in years of prosperity, but if this is done they cease to be relief works and become, rather, useful undertakings better postponed until the days of depression and that may be constructed by suitable workers, no more inefficiently than works done in good years. At any rate, unemployment relief works are at least better than the dole. Direct relief is demoralizing in its effect and places a great burden on local and national budgets and lends itself easily to abuses.

It might be appropriate here to mention a word about the Unemployment Service of Canada. The Employment Offices Co-ordination Act passed in 1918 states that the Minister of Labour can:

- (a.)-Aid and encourage the organization and co-ordination of employment offices and to promote uniformity of methods among them.
- (b.)-To establish one or more clearing houses for the interchange of information between employment offices concerning the transfer of labour and other matters.
- (c.)-To compile and distribute information received from employment offices and from other sources regarding the prevailing conditions of employment. The act further provides that certain sums of money are to be appropriated annually and paid to the provinces on the basis proportionate to the amount that each expends on the maintenance of employment offices. There is a chain of employment offices from Vancouver to Halifax now established in 66 centres; Nova Scotia 3; New Brunswick 3; Quebec 7; Ontario 27; Manitoba 4; Saskatchewan 9; Alberta 5; British Columbia 8. From Table 38 we can see the work which this service has done since 1920.

With a large proportion of the population in any Canadian industrial centre living on relief funds, and with increasing demands for a system of unemployment insurance or some more adequate method of meeting this problem rather than the dole, the various aspects of unemployment insurance as a solution to the unemployment problem must be considered. Unemployment in Canada is not confined to the bad years; there is always a certain number of persons out of jobs, even in the best of months. Out of every

100 workers engaged during the late summer, 10 or more are commonly idle from January until April or May. On account of climatic conditions and the nature of our industries, Canada suffers much more seriously from seasonal unemployment than the United States, Great Britain or Germany.

The majority of Canadian workmen are in a better position, undoubtedly, to maintain themselves and their families during periods of enforced idleness than those of Great Britain, for their wage scales are higher. But many of those with family responsibility do not earn enough even in good years to enable them to weather as much as a month or two of unemployment in the winter months without debt, privation or recourse to private or public charity. For married men with two or more children must spend their incomes as they are earned, week by week, in majority, upon the bare necessities of life. Such families in times like these are reduced to destitution. The community, it appears, must in one way or another assume a larger share of responsibility for those whose normal means of livelihood is cut off by unemployment. The workers are dependent upon jobs provided by the industrial system, and when there is a shortage of these, some of them are bound to suffer. It follows that if industry, the economic aspect of the community, cannot provide work and wages, and if the ordinary earnings of the workers are insufficient for them to save against the hazard of unemployment, it ought to provide maintenance for those who need it on account of involuntary idleness. Our dole does not protect during times of stress, hard won standards of living that are above subsistence levels, but only prevents people from falling into starvation and abject destitution. It degrades and pauperizes, it undermines the morale of its benefi-

aries and is an utterly unsatisfactory means of discharging the community's obligation to those for whom it cannot provide honest work. Reasonable assistance ought to go to them as a right, not as a privilege; as a reputable payment, not as a disreputable dole. This is the leading principle of industry or state-supported unemployment insurance. Thus it is difficult to deny the validity of unemployment insurance in principle, assuming a lack of jobs for all. Yet it is patently not a cure for the basic problem of unemployment.

Canadian unemployment at present seems impossible of final irradiation, but what is need in Canada no less than in other countries, is a vigorous, permanent, continuing and unified program to reduce unemployment and abate its evil effects. There is little prospect that unemployment in Canada could be completely eliminated; even in a Eutopian economic system industry would surely require a certain reserve of labour. Thus unemployment insurance would have a place in the program that has been proposed. As long as we do not consider it a solution of the problem but only a means of dealing with that volume of unemployment that cannot be eliminated we shall be on safe ground. It is of interest to note that in the Right Honourable Mr. Bennett's reforms he mentioned an unemployment insurance plan. Recently a bill in this regard has been placed before the House. This plan does not apply to incomes over \$2000 a year, and is administered by the Federal government. The government contributes one-fifth to the fund of the total contributions made by the employee and employer to contribute equal amounts. This bill will affect about a million and a half workers. However the ability of this plan to meet the situation is questionable in that it does not take into consideration

those workers who are employed in highly seasonal trades. The future success of unemployment insurance in a country like Canada is thus rendered doubtful. The present bill, however, does attempt with probably a reasonable amount of success to relieve the present unemployment problem somewhat. However there still remains much to be desired in the matter of solving Canada's unemployment condition.

Where large excessive capital expenditure has been long continued as in Canada, the measures that are of the greatest immediate importance are those which supply an earning power to existing investment.¹ The three main channels through which distribution of Canadian products is obtained are domestic, empire and foreign trade. Capital expenditure, our equipment for production, has been based upon anticipated, favourable and adequate opportunities for distribution within all three of these markets and without large and suitable outside markets, the equipment cannot be fully or efficiently employed. These facts dominate Canada's economic policies. Canada built up an extensive productive equipment on borrowing and proceeded upon the assumption that production was paramount, only to find that marketing was in control. A large part of the cost of further production is already being borne through idle equipment, unemployed workers and unused natural resources. To remedy this waste of unused capacity is to increase the earning power of capital and the volume of employment now imperatively required. A solution for national unemployment problems can be found only through a national acceptance of the

1 - Summary of an article "Employment"- Journal of Canadian Bankers' Association, October 1933.

of the obligations implied in production and marketing as a collective enterprise.

In all this there is a place for legislation but a larger place for collective action by those in control and management of production. To develop the volume of employment which is indispensable to Canada's needs, a common meeting place must be found for employers, financiers and governments, and this a National Economic Council would supply. Their common objective should be the maximum output of marketable production and thus a maximum of employment must inevitably develop. The real task of all legislation is to keep pace with the social developments of the time so that the mechanism of life may be best fitted for the time it is to serve. Adaptation to environment is a law of both economic and physical life. A national policy which does not keep in touch with world change becomes a grave liability. Canada's unused resource in agricultural lands, forest, mines, railways, and water-power development point clearly to the fact that no immediate policy will serve Canada's needs other than that of planned trade. How otherwise can Canada with a varied industrial capital equipment that in many departments is adequate for twice her present population find for such equipment profitable use? How otherwise can a sufficient volume of employment be provided? The present disequilibrium of Canada's economic structure is the result of overdevelopment of equipment and large capital investment in relation to population without its compensating accompaniment, assured outside markets. A remedy for the present disequilibrium of our capital structure wherein unemployment is one of our major problems, lies therefore in trading relations adapted to our particular and immediate needs.

Table 19.

Index Numbers of Employment By Industries in Canada - 1929 to 1933

<u>Group</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1933</u>
Manufacturing	100	93.1	81.4	72.1	69.1
Logging	100	85.9	47.8	33.9	52.9
Mining	100	98.1	89.7	82.6	81.2
Transportation	100	95.4	87.3	77.2	72.0
Communications	100	99.3	86.8	77.5	69.6
Construction	100	100.1	101.3	66.3	57.5
Services	100	101.0	95.7	87.2	81.9
Trade	100	100.2	97.9	92.0	88.8

Labour Gazette

Table 20.

Estimated Number of Wage Earners Actually Employed in Canada

By Months - 1929 to 1934 . (in thousands).

<u>Month</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1933</u>	<u>1934</u>
Jan.	1,981(000)	2,042	1,876	1,664	1,487	1,653
Feb.	1,966	2,074	1,862	1,653	1,433	1,682
Mar.	1,968	2,008	1,845	1,637	1,426	1,696
Apr.	2,020	1,945	1,804	1,590	1,379	
May	2,130	1,995	1,847	1,595	1,406	
Jun.	2,130	2,083	1,850	1,604	1,484	
July	2,134	2,053	1,785	1,628	1,561	
Aug.	2,159	1,986	1,786	1,606	1,597	
Sept.	2,248	1,986	1,788	1,619	1,604	
Oct.	2,215	2,013	1,785	1,565	1,637	
Nov.	2,157	1,997	1,773	1,538	1,667	
Dec.	2,157	1,961	1,744	1,527	1,714	

From H.M.Cassidy's Article in Canadian Political Science Association-1932

Table 21.

Percentage of Unemployment in Trade Unions by Provinces
in Canada- 1919 to 1934

<u>Year</u>	<u>N.S. & P.E.I.</u>	<u>N.B.</u>	<u>Que.</u>	<u>Ont.</u>	<u>Man.</u>	<u>Sask.</u>	<u>Alb.</u>	<u>B.C.</u>	<u>Can.</u>
Nov. 1919	1.2	1.6	2.8	2.0	2.1	1.2	.5	17.1	3.6
" 1920	2.2	.5	14.7	6.4	4.3	4.1	3.6	24.7	10.2
" 1921	6.9	5.7	20.8	6.1	8.5	5.5	5.9	18.0	11.1
" 1922	3.0	3.4	11.9	2.2	5.7	2.5	2.9	11.4	6.2
" 1923	2.4	3.9	12.0	4.2	3.2	3.2	6.5	3.7	6.2
" 1924	7.3	4.5	18.1	5.4	5.2	4.2	7.1	11.7	9.7
" 1925	4.4	4.7	9.8	4.4	2.0	2.5	3.5	6.1	5.7
" 1926	1.3	2.1	4.9	4.0	2.2	.9	6.7	10.0	4.7
" 1927	2.5	1.7	7.8	3.5	5.1	3.4	4.6	8.0	5.2
" 1928	1.1	1.1	6.3	2.8	5.4	1.4	2.9	7.8	4.2
" 1929	5.1	3.0	13.6	6.3	10.5	8.8	10.8	9.8	9.3
" 1930	4.4	5.1	19.2	13.9	10.9	12.8	10.9	14.0	13.8
" 1931	12.8	10.0	22.1	18.8	18.3	17.0	14.7	20.6	18.6
" 1932	7.9	13.6	27.6	25.2	20.6	17.3	19.8	24.4	22.8
" 1933	17.1	10.7	22.8	22.1	20.4	16.1	15.0	21.3	20.4
" 1934	5.3	7.9	25.7	16.3	16.3	11.7	10.7	21.3	17.5

Labour Gazette.

Table 22.

Index Numbers of Employment by Industries

(average calendar year=1926=100)

<u>Year</u>	<u>All Industries</u>	<u>M'I'G.</u>	<u>Logging</u>	<u>Mining</u>	<u>Comm.</u>	<u>Transp.</u>	<u>Const.</u>	<u>Services</u>	<u>Trade</u>
Sept.1.1921	89.8	85.8	75.6	100.4	91.8	98.4	86.9	89.6	91.4
" " 1922	94.8	93.6	65.9	101.6	88.8	103.3	100.8	87.7	90.1
" " 1923	101.2	100.7	78.4	108.8	91.4	104.7	110.8	100.4	91.3
" " 1924	94.2	91.5	79.0	103.7	97.1	99.6	101.4	101.5	91.4
" " 1925	97.8	96.8	69.5	98.0	98.6	100.4	107.7	105.2	94.8
" " 1926	106.2	104.8	66.8	101.7	103.2	104.7	133.5	110.4	98.1
" " 1927	110.0	106.8	78.7	109.9	107.2	105.9	150.4	120.0	108.4
" " 1928	119.1	115.9	75.0	115.7	114.8	111.5	158.7	132.5	116.0
" " 1929	126.8	119.8	83.6	123.8	128.8	117.2	181.3	146.6	127.8
" " 1930	116.6	108.2	54.3	116.6	120.9	110.2	169.2	143.3	127.3
" " 1931	107.1	94.7	30.5	105.6	150.8	97.8	176.8	134.8	120.5
" " 1932	86.0	83.1	26.0	96.5	92.9	86.5	84.4	119.4	113.1
" " 1933	88.5	86.8	48.3	100.4	83.8	82.5	88.4	113.8	111.8
" " 1934	98.8	94.3	85.6	112.4	82.5	83.6	118.1	125.5	117.1

x- Relative weight of employment by industries as at Sept.1. 1933-

100.0	52.8	1.6	5.6	2.7	11.9	12.6	2.8	10.0
-------	------	-----	-----	-----	------	------	-----	------

- Relative weight as given above shows the proportion of employees in the indicated industry to the total number of all employees reported in Canada by the firms making returns.

- Labour Gazette.

Table 23.

Percentage of Unemployment in Trade Unions by
Groups of Industries - 1919 to 1934

<u>Year</u>	<u>Manufacturing</u>	<u>Miscellaneous M'f'g.</u>	<u>Trade (retail shop)</u>	<u>Bldg. & Const.</u>	<u>All others</u>
Nov. 1919	2.8	----	.2	5.8	3.6
" 1920	13.1	3.3	0	12.4	10.2
" 1921	17.7	3.5	.8	17.8	11.1
" 1922	10.6	4.4	.2	10.4	6.2
" 1923	10.4	.4	.6	13.0	6.2
" 1924	17.5	17.3	.9	14.2	9.7
" 1925	9.2	2.7	0	12.4	5.7
" 1926	6.3	7.3	0	12.7	4.7
" 1927	7.2	17.1	.2	13.3	5.2
" 1928	5.6	11.9	.7	9.3	4.2
" 1929	12.8	27.9	10.2	16.3	9.3
" 1930	14.8	40.7	.3	37.7	13.8
" 1931	19.5	48.1	.5	51.9	18.6
" 1932	26.0	39.5	5.8	63.5	22.8
" 1933	20.5	44.4	0	67.6	20.4
" 1934	18.0	63.1	5.9	61.6	17.5

- Labour Gazette.

Table 24.

Index Numbers of Employment by Economic Areas
in Canada - Nov.1. 1921 to Nov.1. 1934

<u>Year</u>	<u>Canada</u>	<u>Maritimes</u>	<u>quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>British Col.</u>
Nov. 1.1921	91.3	102.6	83.4	92.7	101.9	83.7
" " 1922	97.0	102.9	88.4	101.1	104.3	88.9
" " 1923	100.0	106.8	98.4	102.2	98.5	91.1
" " 1924	94.1	93.9	92.6	96.3	93.4	90.6
" " 1925	98.3	96.0	96.4	98.8	98.4	98.9
" " 1926	104.0	97.2	105.4	103.7	106.9	102.9
" " 1927	108.8	100.1	110.2	109.8	110.7	104.2
" " 1928	118.9	109.5	114.8	121.1	128.6	112.1
" " 1929	124.6	124.6	122.8	126.5	129.5	113.9
" " 1930	112.9	110.1	111.9	111.6	125.8	105.4
" " 1931	103.0	116.6	96.12	98.1	128.2	98.9
" " 1932	84.7	86.8	83.6	84.2	91.6	77.8
" " 1933	91.3	90.2	92.2	92.4	94.6	84.0
" " 1934	100.2	104.9	98.0	103.6	96.5	94.1

Relative weight of employment by economic areas as at

Nov.1.1933	100	7.5	29.5	40.9	13.9	8.2
Nov.1.1934	100	8.2	28.5	42.2	12.8	8.3

Relative weight as given above shows the proportion of employees reported in Canada by the firms' returns for the date under review.

- Labour Gazette.

Table 25.

Average Number of Weeks of Employment
by Age Groups - 1931

<u>Age Groups</u>	<u>Male</u>	<u>Female</u>
All ages	41.12	46.59
17 Years & under	40.58	43.11
18 - 19	39.69	44.93
20 - 24	40.33	46.95
25 - 34	41.20	47.70
35 - 44	42.29	47.48
45 - 54	41.80	47.23
55 - 64	40.07	46.97
65 - 69	38.25	46.53
70 & over	38.65	48.15

-Dominion Bureau of Statistics.

Table 26.

Estimates of the Average Number of Workers Unemployed
in Canada by Years - 1929 to 1931

<u>Year</u>	<u>M'f'g.</u>	<u>Logging</u>	<u>Mining</u>	<u>Comm.</u>	<u>Transp.</u>	<u>Const.</u>	<u>Service</u>	<u>Trade</u>	<u>Aggregate</u>
1929	22,367	9,304	2,775	3,068	11,734	69,482	26,502	18,604	163,836
1930	74,041	15,231	5,096	5,564	22,742	98,143	42,850	31,518	295,185
1931	149,605	22,808	10,576	14,004	40,832	125,137	74,726	59,260	497,008

Estimates of the Percentage of all Workers Unemployed
in Canada by Years -1929 to 1931

1929	3.9	26.6	5.1	5.4	6.0	23.0	8.6	4.8	8.5
1930	12.8	44.7	8.4	9.6	11.6	30.1	13.4	7.9	15.0
1931	25.6	69.4	19.2	23.7	20.8	36.8	22.6	14.5	25.0

Estimates of the Percentage Distribution of
Unemployment in Canada by Years-1929-1931

1929	13.6	5.6	1.7	1.9	7.2	42.4	16.2	11.4	100
1930	25.1	5.1	1.7	1.9	7.7	33.3	14.5	10.7	100
1931	30.2	4.6	2.1	2.8	8.2	25.2	15.0	11.9	100

H.M. Cassidy- "Extent of Unemployment in Canada 1929-1932
and its Implications" - The Canadian Economy
and its Problems.

Table 27.

<u>Estimates of the Number of Workers Unemployed</u>				
<u>in Canada by Months -1929 - 1932</u>				
	<u>Manufacturing</u>	<u>Construction</u>	<u>Trade</u>	<u>Aggregate-x</u>
1929-Jan.	58,360	131,733	13,147	289,891
Feb.	34,264	127,992	30,933	272,787
Mar.	24,585	123,974	34,513	262,941
Apr.	25,623	132,662	28,767	281,635
May	13,144	87,597	23,155	199,450
Jun.	6,907	44,201	17,247	114,337
July	13,539	29,759	17,619	90,158
Aug.	5,065	2,783	13,414	38,633
Sept.	13,215	9,208	14,494	57,284
Oct.	12,575	26,305	14,033	78,848
Nov.	20,328	34,160	10,600	97,440
Dec.	40,801	83,406	5,322	182,620
1930-Jan.	74,366	137,750	11,071	303,223
Feb.	56,904	134,508	30,944	300,873
Mar.	57,421	145,593	36,342	328,154
Apr.	62,741	157,504	40,631	370,063
May	58,710	120,760	34,905	314,910
Jun.	53,740	84,854	25,531	243,424
July	67,374	43,555	28,165	211,578
Aug.	74,345	31,429	37,502	219,323
Sept.	83,629	53,087	39,835	258,217
Oct.	82,375	61,346	37,199	270,239
Nov.	96,470	83,717	34,412	325,147
Dec.	120,357	123,618	21,680	395,869
1931-Jan.	152,835	151,955	28,028	479,900
Feb.	137,907	157,115	54,186	500,354
Mar.	132,520	163,698	58,093	513,599
Apr.	125,126	175,431	57,357	526,687
May	119,405	158,036	56,650	493,603
Jun.	127,810	137,739	56,488	476,688
July	148,756	123,658	61,692	495,504
Aug.	159,317	80,888	70,737	467,559
Sept.	159,286	58,780	72,632	442,719
Oct.	171,586	79,363	71,632	495,317
Nov.	177,167	75,383	63,767	494,679
Dec.	183,516	139,600	60,136	577,473
1932-Jan.	212,097	183,561	62,202	677,377
Feb.	195,187	202,940	85,504	708,694
Mar.	193,097	213,330	95,699	726,594

x- This column includes mining, logging, services communication and transportation.

- Same source as Table 26.

Table 28.

Estimates of the Percentage of all WorkersUnemployed in Canada by Months-1929-Mar.1932

<u>Year</u>	<u>M'f'g.</u>	<u>Constr.</u>	<u>Trade</u>	<u>Aggregate-x</u>
Jan.1929	10.3	43.1	3.4	15.2
Feb.1929	6.0	41.7	8.0	14.3
	4.3	40.2	8.9	13.7
	4.5	42.9	7.4	14.7
	2.3	28.2	5.9	10.4
	1.2	14.2	4.4	5.9
	2.4	9.5	4.5	4.7
	.9	8.8	3.4	2.0
	2.3	2.9	3.7	3.0
	2.2	8.3	3.6	4.1
	3.5	10.7	2.7	5.0
Dec.1929	7.1	26.1	1.3	9.4
Jan.1930	12.9	43.0	2.8	15.6
	9.9	41.8	7.8	15.4
	10.0	45.1	9.2	16.8
	10.9	48.7	10.2	18.9
	10.2	37.2	8.8	16.0
	9.3	26.0	6.4	12.4
	11.7	13.3	7.1	10.7
	12.9	9.6	9.4	11.1
	14.5	16.1	9.9	13.1
	14.2	18.5	9.3	13.7
	16.6	25.2	8.6	16.4
Dec.1930	20.8	37.1	5.4	20.0
Jan.1931	26.3	45.5	6.9	24.2
	23.8	46.9	13.4	25.2
	22.8	48.6	14.3	25.8
	21.1	51.9	14.1	26.4
	20.5	46.6	13.9	24.7
	22.0	40.5	13.8	23.8
	25.5	36.2	15.1	24.2
	27.3	23.6	17.3	23.3
	29.3	17.1	17.6	22.0
	30.3	23.0	17.5	24.6
	31.4	21.8	15.5	24.5
Dec.1931	36.3	40.2	14.6	28.6
Jan.1932	33.3	52.7	15.1	33.5
Feb.1932	33.0	58.2	20.7	35.0
Mar.1932	33.0	61.2	23.1	35.9

x- Includes mining, logging, transportation
communication and services.

- Same source as Table 26.

Table 29.

Estimates of the Percentage Distribution of
Unemployment among Industrial Groups in Canada-1929-Mar.1932

<u>Year</u>	<u>M'fg.</u>	<u>Constr.</u>	<u>Trade</u>	<u>Aggregate-x</u>
Jan.1929	20.2	45.6	4.5	100
	12.5	46.9	11.3	100
	9.3	47.3	13.1	100
	9.1	47.2	10.2	100
	6.6	44.0	11.6	100
	6.0	38.7	15.1	100
	15.0	32.9	19.6	100
	13.2	7.2	34.6	100
	23.0	10.1	25.2	100
	16.0	33.3	17.7	100
	20.8	35.1	10.8	100
Dec.1929	22.4	45.5	2.9	100
Jan.1930	24.6	45.5	3.7	100
	18.9	44.6	10.3	100
	17.5	44.4	11.1	100
	18.6	42.5	11.0	100
	22.0	38.2	11.1	100
	31.8	34.9	10.5	100
	33.9	20.5	13.3	100
	32.4	14.3	17.1	100
	30.4	20.5	15.4	100
	29.6	22.5	13.8	100
	30.4	25.7	10.6	100
Dec.1930	30.7	31.2	5.5	100
Jan.1931	31.9	31.7	5.8	100
	27.5	31.4	10.9	100
	25.8	31.9	11.3	100
	23.7	33.4	10.9	100
	24.1	32.0	11.5	100
	26.8	28.9	11.8	100
	30.0	25.0	12.4	100
	34.1	17.3	15.1	100
	36.0	13.3	16.3	100
	34.7	16.0	14.4	100
	32.8	15.3	12.9	100
Dec.1931	31.8	24.2	10.4	100
Jan.1932	31.3	27.1	9.2	100
Feb.1932	27.5	28.5	12.1	100
Mar.1932	26.5	29.4	13.2	100

-Same source as Table 26.

x- Includes logging, transportation, services
 mining and communication.

Table 30.

Dominion Expenditures and Allotments under the
Unemployment Relief Act - 1930

<u>Province</u>	<u>Allotment</u>	<u>Public Works</u>	<u>Direct Relief</u>	<u>Total</u>	<u>Total Cost of Public Works</u>
P.E.I.	\$ 90,000	\$ 90,000	\$ 5,199.45	\$ 95,199.45	\$ 238,875
N. S.	700,000	699,022.09	95,439.50	794,461.59	2,452,415
N. B.	500,000	499,990.37	3,699.50	503,689.87	1,089,100
Que.	2,850,000	2,765,102.11	704,854.07	3,469,956.18	10,156,127
Ont.	3,850,000	3,850,000	842,650.50	4,692,650.50	15,720,378
Man.	900,000	871,704.79	761,366.27	1,633,071.06	3,914,702
Sask.	1,000,000	964,407.86	454,189.92	1,418,597.78	1,988,962
Sask. (brought area)	500,000	500,000	-	500,000	939,232
Alb.	900,000	899,261.88	378,760.08	1,287,021.96	3,439,893
B. C.	1,100,000	1,090,076.52	286,827.09	1,376,903.61	2,718,320
Direct Relief	4,000,000				
Administration	100,000				
Total-x	18,842,962	14,574,240.85	3,541,986.38	18,159,289.30	70,836,437

x-Includes Yukon, C.F.R., C.N.R. etc.

-Report of the Dominion Director on Unemployment Relief

Table 31.

Dominion Disbursements under the Relief
Act 1931 to the Provinces

<u>Province</u>	<u>Public Works</u>	<u>Direct Relief</u>	<u>Total</u>
P.E.I.			\$136,171.59
N.S.			1,084,281.13
N.B.			768,982.72
Que.			5,502,896.24
Ont.			11,119,811.86
Man.			3,565,855.00
Sask.			2,973,134.38
Sask. Relief Comm.			5,372,971.30
Alb.			3,060,574.50
B.C.			3,954,621.29
Total	32,546,046.51	10,109,060.99	42,740,311.01

Total includes various minor dep'ts.
Same source as Table 30.

Table 32.

Dominion Disbursements under the Relief Act 1932

<u>Province</u>	<u>Total Disbursements</u>
P.E.I.	\$25,126.68
N.S.	536,063.16
N.B.	222,074.33
Que.	3,977,604.35
Ont.	7,810,314.55
Man.	1,741,368.49
Sask.	152,264.06
Sask. Relief Comm.	4,459,919.11
Alb.	1,275,479.24
B.C.	3,226,526.91
Total-x	24,406,740.98
x-plus minor dep'ts.	25,577,366.35

Same source as Table 30.

Table 33.Total Dominion Allotments under the Relief Act 1933

<u>Province</u>	<u>Total</u>
P.E.I.	\$18,475.68
N.S.	1,000,746.77
N.B.	504,405.96
Que.	2,945,303.54
Ont.	8,360,887.90
Man.	2,185,555.97
Sask.	2,073,284.22
Alb.	1,107,923.02
B.C.	2,600,642.10
xTotal	28,004,243.59
x-includes - Public Works	1,046,311.75
Direct Relief	19,386,179.00
Subsistence Relief	7,391,143.56
and various minor dep'ts.	

Same source as Table 30

Table 34.Employment Given to end of Sept. 1931 Under Relief Works

<u>Province</u>	<u>Persons Given Employment</u>	<u>No. of Man Days' Work Afforded</u>
P.E.I.	2,195	19,389
N.S.	33,457	532,121
N.B.	21,097	289,900
Que.	89,006	1,225,100
Ont.	43,000	2,384,000
Man.	36,107	392,971
Sask.	29,418	630,154
Alb.	23,957	407,160
B.C.	34,724	756,186
xTotal	331,953	7,318,571

x- including Yukon, C.N.R. etc.

Same source as Table 30.

Table 35.Number of Persons Receiving Direct Relief in CanadaMay 1932 to Feb. 1934 (in thousands)

<u>Month</u>	<u>Number of Persons</u>
1932-May.	597, (000)
Jun.	624
July	697
Aug.	732
Sept.	795
Oct.	871
Nov.	1,118
Dec.	1,243
1933-Jan.	1,366
Feb.	1,396
Mar.	1,520
Apr.	1,529
May	1,338
Jun.	1,138
July	1,041
Aug.	972
Sept.	964
Oct.	1,080
Nov.	1,122
Dec.	1,284
1934-Jan.	1,280
Feb.	1,271

Same source as Table 30.

Table 36.Employment Given to the end of April 1932Under Relief Works in Canada.

<u>Province</u>	<u>Persons Given Employment</u>	<u>No. of Man Days' Work Afforded</u>
P.E.I.	6,255	69,533
N.S.	33,627	431,844
N.B.	29,739	425,109
Que.	119,725	1,758,693
Ont.	115,000	4,500,000
Man.	51,149	731,961
Man. (farm placement)	1,602	77,673
Sask.	12,557	609,933
Sask. (")	7,937	594,016
Alb.	38,082	547,865
B.C.	37,199	1,190,180
xTotal	472,940	11,539,568
x-includes Yukon, C.N.R. etc.		

Same source as Table 30.

Table 37.

Total Expenditures on Direct and Subsistence Relief
in Canada - Monthly totals from Apr.1933 to Feb.1934

<u>Months</u>	<u>Direct Relief</u>	<u>Subsistence Relief</u>
Apr. 1933	6,465,598	880,565
May	6,014,434	846,215
Jun.	5,311,429	899,403
July	4,914,723	923,218
Aug.	5,032,418	905,841
Sept.	5,035,884	1,160,341
Oct.	5,450,922	1,280,050
Nov.	6,875,884	1,554,199
Dec,	7,203,317	1,890,103
Jan. 1934	6,681,438	2,229,293
Feb.	6,958,850	2,127,106

Same source as Table. 30.

Table 38.

Application for Employment, Positions Offered and

Placements Effected by the Employment Service of Canada, 1920-1932

<u>Year</u>	<u>Applications Registered</u>		<u>Vacancies Notified</u>		<u>Placements Effected</u>	
	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>
1920	96,054	480,735	116,142	450,526	80,520	365,292
1921	105,563	438,836	106,097	325,498	77,964	277,792
1922	104,407	443,875	104,359	365,529	77,136	316,386
1923	115,692	473,483	109,404	431,576	85,751	376,801
1924	116,782	402,593	97,810	314,258	80,773	285,359
1925	118,023	439,022	101,473	345,570	84,773	328,334
1926	124,504	417,905	111,769	345,163	90,597	319,558
1927	131,849	422,022	114,095	339,478	94,463	320,306
1928	142,968	454,525	129,635	376,791	108,386	361,942
1929	153,199	397,527	131,435	296,592	111,239	287,128
1930	149,887	463,103	107,199	278,835	94,452	274,227
1931	140,693	685,460	94,527	391,857	82,277	389,221
1932	139,733	512,695	83,385	282,643	73,239	278,975

-Canada Year Book-1933- page 768.

Chapter 6.

The question of accident and sickness among Canadian workers in factories and in other forms of industrial activity is an important problem. With the introduction of mass production and more complicated machinery the dangers of accident for workers were greatly increased. Moreover, responsibility for accidents is more difficult to place, and the workers' chances of recovering damages by ordinary legal means have become both expensive and uncertain. Thus there must be some way in which they may be compensated for in the case of injury, or his dependent maintained in the case of death. This chapter will therefore discuss the various Provincial Workmen's Compensation Acts and the standards set up by the boards and commissions regarding the rates of compensation paid to Canadian workers.

Nova Scotia passed the Workmen's Compensation Act in 1915, which stated that where personal injury arising out of and in the course of employment is caused to a workman, compensation must be paid to such workmen or his dependents unless the injury, does not disable the workman for the period of at least seven days from earning full wages at the work at which he was employed, or is attributable solely to the serious and wilful misconduct of the workman, unless the injury results in death or serious and permanent disablement. Compensation for disability is payable from the date of disability. Every workman entitled to compensation is entitled during a period of 30 days from the date of disability to medical and surgical aid, and skilled hospital and nursing services, and is also entitled to such things as artificial limbs, glasses, etc.

The scale of compensation under this act sets the compensation where death results from an injury at:

1.-(a)-Burial expenses not exceeding \$100.

(b.)-A monthly payment of \$30 where a widow or invalid widower is the sole dependent.

(c.)-If there are any children in the above case, \$7.50 is paid for each child under 16 but the total monthly payment may not exceed \$60.

(d.)-If only children are dependent, \$15 is paid for each child, but the total monthly payment may not exceed \$60.

(e.)-If the dependents are other than those in (b), (c), or (d), a reasonable sum is paid not exceeding \$30 a month to a parent or parents, and not exceeding \$45 a month in the whole. Compensation is paid only to the dependents from one source, that is they cannot receive it twice for two different people being injured fatally.

2.-In the case provided for in clause (e), the payments continue only so long as in the opinion of the board it might reasonably have been expected, had the workman lived, he would have continued to contribute to the support of the dependent. Compensation payable may not in any case exceed 60% of the average earnings of the workman.

3.-If a dependent widow marries, the compensation right ceases but payment is made to her over a period of 25 months after marriage, of \$20 a month. Payments are continued to a child until it becomes 16 years of age and to an invalid child until it dies or as long as the board deems reasonable.

4.-In the case of permanent total disability, the workman receives 60% of his average earnings during his life in periodical

payments.

- 5.-In the case of permanent partial disability, he receives 60% of the difference in his average earning capacity before the accident and after it. This is payable during his lifetime.
- 6.-In the case of temporary total disability he receives 60% of his average earnings and this is payable as long as his disability lasts.
- 7.-In the case of temporary partial disability, he receives 60% of the difference in his average earning capacity before the accident and after it. This is payable as long as the disability lasts.
- 8.-The average earnings are not to exceed the rate of \$1200 a year. Application for compensation for any injury must be made within one year after the time of the accident. An industrial disease is treated as a personal injury, and the rules for injury apply to it also.

The various acts in the other seven provinces are similar to the Nova Scotia Act, but we may note several differences. The Workmen's Compensation Act in New Brunswick was passed in 1918. It resembles the Nova Scotia Act in almost every respect. It differs in section 3 where payments are made only for one year. Section 7 states that the payments are made only if his earning capacity is diminished by more than 10%. Application for compensation must be made within 6 months.

In Quebec the Workmen's Compensation Act was passed in 1928 and amended in 1931. It is also the same as the Nova Scotia Act except for a few differences in the scale of compensation which can be seen from Table 39. It also states that where no widow is left on the death of a workman or if the widow dies, a sister, aunt, or other suitable person who acts as a foster-mother

in keeping up the household and caring for the children is entitled to receive the compensation. Application for compensation must be made within 6 months and notice of the accident must formally be made within 3 months. The total monthly compensation must not exceed $66 \frac{2}{3} \%$ of the average monthly earnings of the workman. If it exceeds this it shall be reduced accordingly. Compensation for total disability shall not be less than \$10 per week or the average earnings of the workman.

The Ontario Act was passed in 1914 and there are no outstanding differences from the Nova Scotia Act except for slight variations in the scale of compensation as seen from Table 39.

In the Manitoba Act which was passed in 1920, it is stated that the compensation for injury shall not be paid if the injury does not disable the workman for longer than 3 consecutive days. If the injury disables the workman for longer than 3 days, no compensation other than medical aid shall be payable for the first 3 days of the disability. Application for compensation must be made within one year. In the case of clause 4 in the Nova Scotia Act, the Manitoba Act differs in that it states if the workman's earnings are less than \$15 a week he gets the full average earnings.

The Saskatchewan Act passed in 1910 resembles the Nova Scotia Act in most respects, except for variations in the rate of compensation and in the case of the time for application for compensation, which is 6 months in this act.

The Alberta Act passed in 1908 is much the same as the Nova Scotia Act, except that application for compensation must be made within 6 months. The differences in the scale of

compensation for the various provinces can be seen from Table 39.

The British Columbia Act passed in 1916 differs from the Nova Scotia Act in that where personal injury results from an accident, compensation is paid except where the injury does not disable the workman for longer than a period of three days from earning full wages. There is also a Superannuation Act in British Columbia passed in 1921, which works somewhat on the principle of pension schemes. Under this act a certain amount of the employee's salary is sent to the Superannuation Fund. The employer is also required to add a sum equal to that contributed by the employee. To the employee's credit in the Superannuation Fund there is also placed special contributions from the Special Reserve Fund set up by this act. These amounts accrue from time to time with interest and when a contributor becomes entitled to a superannuation allowance he receives quite a substantial sum.

In Table 39 we have a complete comparison of the scale of compensation for the 8 provinces. Generally speaking, the scales of compensation in the several provinces seem to maintain a fairly high standard. Table 40 gives us the total compensation paid by the various boards and commissions on Workman's compensation. Ontario, Quebec and British Columbia have dispersed the largest sum in this respect. In Table 41 we have the trend of industrial accidents from 1904 to 1933. From 1922 on we have the distribution of accidents in manufacturing and trade and their percentages of the total number of accidents. From 1929 on, due to lack of employment, the number of accidents in the manufacturing and trade industries have been decreasing, but their percentages of the total have either remained fairly constant or have increased slightly.

The principle of workmen's compensation for injury or death incurred during the course and arising out of employment is now well established in practically all countries. This of course marks a great step in the advance of common law, for three reasons:

- 1.-It is no longer necessary to sue the employer as compensation is automatic.
- 2.-The common law doctrine that employee accepts risks of occupation including negligence of fellow employees is abandoned.
- 3.-The compensatory negligence of employees is no longer a bar to his right to compensation as it was under the common law.

The compensation board and commissions of the various provinces are functioning efficiently and providing for both employers and work-people an admirable service in dealing with the harassing problems of compensation for industrial accidents. The provinces are probably afforded this service as cheaply as it is possible to obtain it. In view of the enormous amount of work entailed on the boards and the great sums of money handled, the administration expenses are remarkably low, and speak well for the efficiency of the system. As population increases the provinces become more and more industrialized, and the amount expended on compensation will proportionately increase. As systems of compensation are always open to amendment by legislative action, and since legislatures show a constant tendency to be increasingly generous, there is always a danger that attempts will be made to revise scales of compensation upwards in spite of the fact that experience has shown the existing scales to be fully high enough. There is also the tendency of those administering the boards to permit the inclusion of a great number of industrial risks and

particularly industrial diseases, thus broadening the scope of the compensation given. As wages increase, the cost of compensation increases. The average cost of all accidents in the future will therefore fluctuate with the wages paid. In the system of government control of workmen's compensation we have a system which does substantial justice to both employers and workers, and probably, if not certainly, in a more efficient and economical fashion than any other.

However Workmen's Compensation Acts do not cover any benefits which may be received by the worker if he is taken ill. It very seldom happens that when a worker is absent through illness he still receives his pay. This brings us to the question of health insurance for Canadian workers. A report dealing with a plan for health insurance in Canada was presented at the recent meeting of the Canadian Medical Association and was passed to the provincial organizations for their consideration. It was prepared by the Committee on Economics. The problem set before the committee was to devise a way "to make available for everyone the full benefits of curative and preventive medicine irrespective of the individual's ability to pay and at the same time to secure the willing cooperation of the medical profession."

Health insurance is needed because of the tendency for the state to assume the increasing responsibility for the welfare of its citizens. The present individualistic system of medical practice has not adjusted itself to present social organizations in which the majority are wage earners with no resources beyond their weekly earnings. Also medical facilities are not well distributed, that is, fairly distributed. The wage earning population is not able to pay the ordinary fees. However medical care is a necessity for all and yet the medical profession should not be

expected to furnish medical care without pay. The state is responsible in this case and perhaps a scheme of health insurance in Canada would be met with most beneficial results. The delay in securing care and much self-medication is evident to-day. There should be an actual correlation of existing services and making these available to the patient through the family physician. Thus there is a public need for adequate medical care which may best be met by a system of health or sickness insurance, or a public organization for the prevention and cure of disease, based upon contributions from those who are insured. The system as now working in England has proven quite successful. The scheme for health insurance, while adequately assuring the working class of medical care must also assure the medical profession of adequate remuneration for their services.

Table 39.

Scale of Compensation for the Canadian Provinces

(monthly payments)

<u>Province</u>	<u>1(a)</u>	<u>1(b)</u>	<u>1(c)</u>	<u>1(d)</u>	<u>1(e)</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Nova Scotia	\$100.	\$30.	\$30. 7.50 (60.)	\$15. (60.)	\$30. (45.)	60%	20 mos.	60%	60%	60%	60%	\$1200.
New Brunswick	100.	30.	30. 7.50	15	z	55%	12 mos.	t	\$2500. s	55	55	2000.
Quebec	125.	40.	40. 10.	15	z \$100	66 $\frac{2}{3}$	24 mos.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000
Ontario	125.	40.	40. 10.	15	z	66 $\frac{2}{3}$	24 mos.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000
Manitoba	150.	40. for life	30. 12.-10 9.-8.x	15	z	66 $\frac{2}{3}$	24 mos.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000
Saskatchewan	125.	40.	40. 10. 15.y	15	z	66 $\frac{2}{3}$	24 mos.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000
Alberta	125 .	35.	35. 12.-10. 9.x	15	30 (65.)	66 $\frac{2}{3}$	\$480.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000
British Columbia	100 .	35.	35. 7.50 (65.)	15 (60.)	30 (45.)	66 $\frac{2}{3}$	24 mos.	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	66 $\frac{2}{3}$	2000

s-Payments up to \$2500.

t-reasonable sum.

x-eldest child and so on according to age

y-if parent dies.

z-reasonable sum

-see next page for explanation of numerical headings.

Table 39. (cont'd).

Column 1(a)- Burial expenses. (monthly payments are made in all columns except 1(a)).

- " 1(b)- Amount paid to widow or invalid widower on death of the worker.
 - " 1(c)- Amount paid to the invalid widower or widow, and to each child-amount in brackets represents the maximum amount to be paid.
 - " 1(d)- Amount paid if only children left; amount in brackets represents maximum sum to be paid.
 - " 1(e)-If a parent or foster-mother is left, the compensation is payable to them-the amount in brackets is maximum sum to be paid.
 - " 2. - Is the maximum proportion of the earnings of the worker which can be paid.
 - " 3 - Is the time for which payments will continue if a dependent widow marries.
 - " 4 - Permanent total disability - worker receives certain percentage of his average earnings.
 - " 5 - Permanent partial disability- worker receives certain percentage of the difference in his average earning capacity before the accident and after it.
 - " 6 - Temporary total disability- same as 4.
 - " 7 - Temporary partial disability- same as 5.
 - " 8 - Maximum amount paid to any family during one year.
-

Table 40.

Compensation Paid by the Compensation Boards and
Commissions of Canada -1915 to 1933, by Provinces

<u>Year</u>	<u>N.S.</u>	<u>N.B.</u>	<u>Que.</u>	<u>Ont.</u>	<u>Man.</u>	<u>Sask.</u>	<u>Alb.</u>	<u>B.C.</u>
1915				893,321				
1916				2,005,363				
1917	503,460			2,924,025	312,872			665,942
1918	826,740			5,883,995	339,256			1,493,024
1919	629,647			4,192,869	326,520			1,683,804
1920	1,171,796	453,390		7,780,245	468,276			2,107,210
1921	742,048	533,765		6,189,264	641,210		367,102	2,202,874
1922	617,053	461,912		5,692,897	742,026		399,578	2,224,466
1923	865,044	548,079		6,173,862	786,386		485,101	2,672,680
1924	938,452	612,455		6,122,820	631,888		368,487	2,911,740
1925	707,527	547,876		5,565,443	717,595		467,860	3,038,314
1926	960,062	471,717		5,821,352	789,167		422,542	3,159,687
1927	1,141,281	529,323		6,034,655	814,772		533,324	3,297,794
1928	1,171,143	596,925	209,764	7,067,948	1,063,151		664,128	3,586,467
1929	1,053,842	628,546	3,229,554	8,012,153	1,153,821		773,074	4,341,249
1930	1,009,227	542,288	3,792,346	7,423,018	1,116,431	159,772	762,795	4,177,140
1931	1,057,834	468,716	2,758,785	6,021,392	767,887	409,410	668,855	3,140,543
1932			1,275,323	5,125,621		329,321	611,029	
1933			3,104,563					

Table 41.

Fatal Industrial Accidents in Canada, -1904 to 1933

<u>Year</u>	<u>Total</u>	<u>No. in Manufacturing</u>	<u>No. in Trade Stores</u>	<u>Percentages of Total</u>	
				<u>M'f'g.</u>	<u>Trade</u>
1904	894				
1905	931				
1906	1,107				
1907	1,353				
1908	1,231				
1909	1,238				
1910	1,354				
1911	1,012				
1912	1,207				
1913	1,216				
1914	1,208				
1915	730				
1916	950				
1917	1,195				
1918	1,222				
1919	1,068				
1920	1,192				
1921	908	111		12.2	
1922	1,128	164	18	14.5	1.6
1923	1,412	198	24	14.0	1.7
1924	1,270	163	12	12.8	.95
1925	1,044	161	11	15.4	1.0
1926	1,335	187	27	14.0	2.0
1927	1,378	151	26	11.0	1.8
1928	1,677	201	64	12.0	3.8
1929	1,766	250	58	14.2	3.3
1930	1,655	196	58	11.8	3.4
1931	1,188	142	43	11.9	3.6
1932	961	114	50	11.9	5.2
1933	726	93	43	11.4	5.9

Chapter 7.

As the present depression has continued on into the fifth year, the demand has increased for a more intimate knowledge of the actual labour conditions with regard to wages and hours and the different relations within industry itself. The House of Commons on February 2, 1934 agreed to the following motion, proposed by the Prime Minister, the Right Honourable Mr. R.B. Bennett.^{1.} That a select special committee of eleven members of the house be appointed to inquire into and investigate the causes of the large spread between the prices received for commodities by the producer thereof, and the price paid by the consumers therefore; the system of distribution in Canada of farm and other natural products, as well as manufacturers products, and without restricting the generality of the foregoing, and more particularly to inquire into and investigate,--(a) The effect of mass buying by department and chain store organizations upon the regular retail trade of the country as well as upon the business of manufacturers and producers; (b) The labour conditions prevailing in industries supplying the requirements of such department and chain store organizations, and the extent, if any, to which existing conditions have been brought about by the purchasing practices of such organizations and the effect thereof upon the standard of living amongst those employed in such industries and organizations; (c) The relation between the flour milling industry and the bakeries of the country, and the effect of such relations upon the bak-

1. Labour Gazette, February, 1934.

ing industry of Canada;

(d) The methods and system prevailing in the marketing of livestock and animal products for domestic consumption and export, and the extent to which the present system affords or restricts opportunity for fair returns to producers.

"That the committee shall have power to send for persons, papers and records and the further power to request the appointment of a commission or commissioners under the Inquiries Act to secure evidence to be presented to the committee by such commission or commissioners. That the committee shall report to the House from time to time its findings, together with recommendations of such measures as in the opinion of the committee may be considered necessary to secure as far as possible, fair and just practices in the distributing and marketing systems of Canada, with fair and just returns to producers, employees and employers, not inconsistent with the rights of consumers."

Thus the Royal Commission on Mass Buying and Price Spreads was appointed and recently has just completed its investigations under the direction of The Honourable Mr. H.H. Stevens. Although the formal report of the Commission has not yet been published, the evidence gathered has indicated the following facts which can be regarded as not very far from the actual truth.

The evidence shows that two-thirds (2,565,000) of the total working population of Canada (3,932,000) are wage earners. If agriculture were eliminated, the proportion would be five-sixths. The importance of the wage earner obviously lies not only in his function as a producer, but also as a consumer. He is the biggest market for Canadian products. Stress is laid upon the aspect of mass buying, --the purchase of labour by manufacturers. The worker

is always in the position of the distress seller. Only by a fortuitous combination of circumstances will he receive "the full product of his labour". This, it is said, is particularly true in Canada, where territorial specialization and great distances limit the alternative opportunities of labour. It is pointed out, however, that the development of personnel management and changing standards of social justice have put an institutional brake on the employers' exploitation of their bargaining advantage. Factory efficiency has been found to spring from high class, well-paid labour, and self-interest of employers has dictated generous treatment. But in depression other considerations arise, and only the strongest and most intelligent firms can avoid the slashing of wages that loss seems to demand and widespread unemployment to permit.

The marginal employers also exert an influence in favour of labour exploitation. Thus it appears that some social control of labour relations is necessary because of the disparity in bargaining powers between employers and employees, a disparity not unlike that between the bargaining power of large department and chain store organizations, and that of small manufacturers with whom they deal. There is, however, some difficulty in the way of provincial control. Products of Ontario factories must compete with those of Quebec, and to the extent that trade is free, with the products of other factories throughout the world. It is necessary, therefore, in drafting and enforcing labour laws to give due consideration to the standards of legislation and enforcement elsewhere, especially in competing jurisdictions. Some jurisdictions by the toleration of unremedied abuses, foster what might be called unfair regional competition. Except for such proper variations as climatic conditions and the imperfect development of industrial organization or other special circumstances may demand, it is necessary

for labour legislation and enforcement to be substantially uniform in all the different jurisdictions or regions from which employers compete. It is for this reason that greater uniformity of labour conditions in Canada itself is necessary, and also greater cooperation with the I. L. O. The evidence before the commission proves that in certain industries the sweatshop still survives in Canada, and generally that unemployment and low wages have reduced many workers to a state of abject poverty. Factors which contributed to this condition are probably; special sales presumably by stores which forced manufacturers to cut wages; by patronizing non-union, cut-price manufacturers, departmental and chain stores have tended to stimulate the growth of sweat shops; departmental store factories which have been operated on low wage scales and under oppressive working conditions, and by hard bargaining on the part of departmental store buyers.

However other factors include; inadequate managerial and costing experience of manufacturers; toleration by the community of inadequate legislation and ineffective administration coupled with general depression conditions. General economic forces outside the control of any individual or group have produced a business collapse of almost unparalleled severity, but the resulting losses have not been shared by all alike. They have borne most heavily on certain more exposed or vulnerable groups. Surely there is some form of social protection for these weaker groups which can be devised to distribute the burden more equitably. The opportunities offered by the collapse of business and industry have been capitalized by certain groups to exploit others. Such exploitation as this should be prevented. The general severity of the collapse has been intensified by certain unfair, if not illegal, practices

which are certainly possible of prevention.

The evidence gathered by the commission allows us to make several general observations regarding labour and wage conditions in retail distribution. The labour policies of many chain store companies appear to have been characterized by close control in the matter of wage costs, but by a lack of sympathetic direction in the application of these wage policies to the conditions of the workers involved. The excuse that such direction could be safely entrusted to the local management has clearly been shown to be inadequate by the conditions which the investigations of the commission have revealed. The inevitability of the development of abuses in the circumstances should have been recognized from the start by the central management. That no steps were taken to change these circumstances and guard against the results that have been revealed, must, from a social point of view, be regarded as an omission of duty on the part of the executives of many chain store companies, however profitable the policy may have been to the shareholders.

The commission has found that the position of the worker in the department and chain store fields is a particularly defenceless one. In both cases, especially in the case of chain stores, the use of relatively unskilled persons and the recruitment of staff among the youth of the country provides a labour force which lacks any great appreciation of the common interest which workers should have to defend their positions when bargaining for positions of employment. In the case of chain stores this weakness is accentuated by the multiplicity of units, each of which has only a few workers, and by the efforts of the central management to provide incentive for local managers which divorce their interests

from those of the workers under them. The department stores, on the other hand, by employing large numbers of female workers, few of whom, at the commencement of their service expect to remain indefinitely in such employment, assemble a body of workers which has no appreciable bargaining strength.

While the conditions outlined in the preceding paragraph apply in the main to workers in independent stores also, the direct relationship between owner and workers may introduce here a compensatory feature into the relationships of labour. The close contact between employer and employee often gives rise to an interest on the part of the former in the welfare of the latter and a desire to do as well by his worker as business conditions will permit. This does not imply that the independent proprietor will operate his business as a philanthropic institution, but that there is an incentive for him to pay his workers more in keeping with their family responsibilities than with the cost of replacing them with other workers.

The separation of ownership from management in the case of chain stores and the direct incentive to local managers to disregard the welfare of the store employees in the interest of higher profits and earnings means that the wage rates of employees in chain stores are all too likely to be set at the lowest level at which recruits can be secured from the army of job-seekers. In fact, the absence of any personal relationships between the central management which determines operating standards, and the employees in the stores tend to render the central executive oblivious to the human element involved in their policies. This was made clear by the evidence given before the commission by the chief executive of one of the largest chains.

The evidence presented to the commission on department stores shows that, in spite of some shortcomings, the adherence to certain operating ratios can be combined with at least some consideration for the welfare of employees. The application of strict financial standards is bound to work some hardship on workers, particularly in times of depression, but pending a more satisfactory method of determining labour costs, the policy should, at least, be administered with as much sympathy as possible. The absence of such consideration in the policies of many chain store companies cannot be condoned, and until these unsatisfactory conditions are removed, such companies must be viewed as operating against the public interest. It would seem essential that each large retail organization should have a department devoted specifically to the study and improvement of conditions of work among its employees and assured of a sympathetic support of the management.

However before making any definite recommendations the fact must be observed that sound remedies are neither novel or dramatic. They must be based on experience and must develop progressively. In fact, to the extent that these problems are possible of solution at all, the necessary reforms can very largely be found in the extension and improvement of agencies, policies and methods already in some degree now operative. The recommendations which the Commission are likely to make from the evidence which has been presented will probably show a tendency to follow closely along the following lines. The recommendations may fall into two groups; non-government agencies and proposed governmental action. There are two branches of the first. They are the encouragement of employers' and trade associations, and employees' and trade unions.

The revival of business offers an excellent opportunity for the larger and more progressive employers to provide authoritative leadership in personnel and industrial relations policies. The continuance of exploitation of labour is inimical to the welfare of all business enterprise, and should be exposed and fought by other employers in their own interest. But the informed employer has a wider responsibility. He should share with the community the benefits of his experience, not only negatively, by discouraging the grosser forms of exploitation and resisting ill-considered reform proposals, but positively, by encouraging and stimulating the wider acceptance of sound policies. This can be done most effectively through employers' associations, or trade associations.

With regard to trade unions it may be pointed out that they can facilitate the negotiations of rates and other labour conditions by representing their membership as a whole in collective bargaining. By extending to trade unions a reasonable measure of recognition and cooperation, they can go far to avoid industrial dispute, at least they can narrow the field of contention to those points, if any, where interests and principles come into irreconcilable conflict, and the dispute can be settled only by force or law. The disparity in bargaining power between the individual worker and the typical employer has grown so obvious that the abstract necessity for collective action in collective bargaining is widely accepted. Thus the principle of collective bargaining is recommended and the government should encourage its general recognition.

The recommendations which the Royal Commission is most likely to make are not definitely known, but from the evidence gathered by their investigations we may safely hazard a guess as to the general points which they may cover. To begin with, improved administration could be brought about by expenditure of more money

and employment of larger and more efficient staffs. The recommendations that are now to be discussed are those which refer to governmental action. It would appear that labour law administration in Canada is hampered by entirely inadequate appropriations and by staffs that are not only too small, but also without the energy, education and practical experience that the satisfactory regulations of modern industry would seem to require. Then amendments should be advocated for the present provincial labour laws. The first is the minimum wage laws. There are seven of these now in force, and there are important variations in their provisions and in the methods of enforcement. The acts should be enforced more vigorously, penalties should be increased and exemptions to firms for exceptional conditions should be abolished; the 80% piecework clauses should be abolished and the methods of dealing with inexperienced workers should be revised. Also the fixing of different rates in different sections of a province should be reconsidered, as well as minimum wage laws for men dealt with, while the personnel of minimum wage boards should never include partisan representatives of special interests. With regard to this last point a direct criticism is to be noted on the Quebec board as presented in the evidence.

In reference to the regulation of hours of labour, many provincial laws now permit women to work normally 55 to 60 hours per week, and as much as 72 hours under certain circumstances. Those laws are so obsolete that revision is badly needed. Broadly, the same agency which administers minimum wages should deal with hours of labour. Maximum hours for men should be established by law and standard hours of labour should be greatly shortened. All

employers should be compelled to keep records showing the hours worked by each employee. Such new provincial legislation which is so badly needed may be described as statutes patterned on the British Cotton Manufacturing Industry Acts of 1934 or the Quebec Collective Labour Agreements Extension Acts of 1934, or on parts of the American National Industrial Recovery Acts of 1933. The main idea is for the governments to take power to blanket agreements entered into by a majority of any industry, over the whole of it. However there are certain undesirable results which may follow, and the obvious dangers connected with such action must be avoided.

In reference to Dominion laws, such changes may be recommended as the strengthening of the statute of 1930, to enable the Dominion to enforce a fair-wage clause in all contracts financed in whole or in part by the government. The Department of Labour should define "fair wages and conditions" for the various industries and the occupations concerned. No bids should be entertained unless they come from firms listed by the Department of Labour as regularly maintaining fair wages and other conditions. The Industrial Disputes Act should be amended to enable an investigation to take place, not only if a strike threatens, but when any "bona fide" complaint is made. The scope of this act should be extended to include additional industries. Better statistics on wages and hours of labour should be obtained. Of importance is the nationally uniform regulation of employment conditions, which may be brought about either by a constitutional change or by agreement with the provinces. From the evidence it is pointed out that most manufacturing is concentrated in Quebec and Ontario, and that Quebec has lower wages and longer hours of labour, thus having a competitive advantage even though the

standard of living suffers. However the evidence confirms the view that such a condition makes it impossible to maintain the higher levels in Ontario. In 1923 Quebec had about 30% of the business of womens' clothing manufacturing; in 1933 over 50%. Furthermore reference to the absolute figures shows that this is a positive shift of business, not simply a result of different rates of growth. While the gross value of products in Quebec rose from about \$14,000,000 in 1923 to \$25,000,000. in 1933; the same figures for Ontario fell from \$27,000,000. to \$17,000,000.

Thus there can be little doubt that there is a growing public recognition of the need for uniformity in labour legislation. In recommending Dominion labour legislation however, many controversial problems of constitutional history will be raised as well as problems of current constitutional law and politics. Therefore some extension of the Federal authority into the fields here under consideration is not only desirable but will become even more necessary as the improvement of transportation facilities and the extension of market areas continue to draw all parts of the Dominion closer together. It is unthinkable that local patriotism can continue to successfully resist the pressure of economic forces and the demands of national welfare which require relative uniformity in conditions. It is equally unthinkable that the several provinces and the Dominion cannot work out a mutually satisfactory procedure for the extension of Federal power in respect to matters under consideration. In working out national uniformity, however, regard must be had for "regional variations" which present a difficult problem.

There should be established a new branch of Federal Labour Department, a division of research standards and

service, to probe industrial relations generally. The report may recommend a thorough explanation of the constitutional possibility of the immediate enactment of Dominion labour legislation, while if such legislation is now precluded by insuperable constitutional difficulties, the necessary amendment of the B.N.A. Act should be recommended. The worthy suggestion of creating an unpaid, permanent, representative, rotating, and non-partisan advisory council to the Dominion Department of Labour is of importance. The council might: (a) work out the general principles and procedure of effecting the necessary readjustments after the Dominion legislation is enacted; (b) plan for decentralized but uniformly efficient administration through provincial departments of labour if possible; (c) regardless of the enactment of Dominion labour legislation, generally to encourage and promote public understanding of the problems of labour relations, legislation and administration; (d) act for such other purposes as the Governor-in-Council or Minister of Labour may determine.

The Royal Commission may recommend, pending the settlement of the constitutional question of Dominion or provincial competence, an annual convocation of a Dominion-Provincial labour conference to consider: (a) methods of harmonizing provincial labour legislation; (b) the implementing of international labour draft conventions. Also in this regard it may be recommended that the agenda for such Dominion-Provincial labour conferences, and all memoranda be drafted and circulated by the proposed division of service and standards of the Dominion Department of Labour. Finally they may urge a more vigorous and effective cooperation with the I.L.O. and a more determined pursuit of our own accepted standards

of national and international social justice.

The startling evidence as brought out by this commission has certainly stimulated economic thought in Canada, and enlightened many people on the exact and deplorable conditions of factory and shop labour in the various industries throughout Canada. It has brought to light the necessity for immediate and widesweeping reform measures. The exact lines along which these reforms may follow are hard to determine. At any rate, it is certainly obvious that the working conditions of the labourer in factories and shops, especially with reference to their wages and hours of labour, must first be ameliorated. This may be accomplished by uniform labour legislation whereby the workers' standard of living is improved and where the conditions in the community itself are not such that the labourer has to bear the heaviest share of the burden, a burden which has resulted in the main from the disequilibrium in our economic structure. Certainly the next few months will witness something of a transition period, and we may hope that it will be for the better since advances and progress must go on, even if they are in small measures.

Chapter 8.

The problems which confront us to-day with regard to industrial labour conditions in Canada are numerous and important. In chapter one we discussed the importance of labour legislation and the part it plays in our economic system. In countries like Canada where labour is not very highly organized, labour legislation is most significant. The future of labour legislation in Canada may be predicted as playing a major role in the lives of Canadian wage earners. In modern competitive society the worker is more or less a cog in a machine, and has little control over the forces which govern the conditions under which he works. Thus, either he must organize, for example into trade unions through which some effort can be made to have his difficulties attended to, or else the government must help him, and this can be done by means of labour legislation. The growing importance of labour legislation for Canada is evident on all sides, and most notably in our Prime Minister's reform program.

In connection with labour legislation we come up against the International Labour Organization, which is a fairly important feature in international economic life. A closer adherence to the standards set up by the I.L.O. would bring a greater measure of ^{more} stable conditions among the labouring classes. Labour legislation should be directed along lines similar to the principles established by the I.L.O., or else the adoption of the I.L.O.'s draft conventions on a wider scale should be advocated. In Canada, economic problems are created that are quite different from those in other countries due to the peculiar and separate economic areas

where regionalism thrives. This fact makes uniform labour legislation difficult due to the different conditions and demands in the several regions. This may be overcome in time by better cooperation between the provinces and the Dominion, or else by the centralization of authority, regarding labour conditions, in the hands of the Federal government. The amendment of the B.N.A. Act is a question of major issue to-day. It is quite apparent that the Canadian constitution as now set out by the B.N.A. act does not fit the prevailing conditions in Canada and should be amended to come more into line with the present requirements inherent in the situation as it is to-day. Uniform legislation could then be enacted by this new power being bestowed upon the Federal government, while now one province may object and so hinder the whole procedure. It is quite apparent that federal control over Canadian industry would do much, if wisely used, to alleviate some of the present deplorable conditions which prevail in Canada and which this study has illustrated over and over again.

In connection with the make up of the labour force in Canada many problems are presented which call for solution. The more important of these are the mobility of Canadian labour, the population movements from rural to urban districts, from less prosperous regions to more prosperous ones. This difficulty may be overcome in part by the establishment and coordination of an efficiently working system of labour exchanges. There is also a large difficulty to be faced with the foreign element in our labour force, and their peculiar difficulties present an altogether different problem. Labour is not as highly organized in Canada as it is in England for example, an improvement along this line might be suggested. There is also the proposed Economic Council of Canada

to be considered here. This may do much in the way of economic and social planning for Canada's economic problems, such as suggestions for new industries and other probable developments. These two problems may be solved in some way by the better treatment of immigrants and the increase in educational work for foreigners which will make it easier for them to become acquainted with Canada's commercial and industrial system.

In coming to the question of hours of labour, we find that the conditions in most branches of industrial activity in Canada are most depressing. Excessively long hours are in evidence, and the undue exploitation of labour should be remedied at once. There is no need to work young girls and boys or even men for these long hours. It would be better to work them in shorter shifts, raise wages and so increase the number of employed, even at the expense of increased labour costs. The trouble lies in the fact that competition among employers prevails, which is due to attempted increases in their sales of manufactured goods by decreasing prices. To decrease prices they must decrease cost of production and here the exploitation of labour takes place. Perhaps if the financial structure of the country were so changed, and if it were powerful enough to control or govern, even in a small way, the fluctuations in our various price systems, many of the problems now could be eliminated. This would be all right if Canada were self-contained, but other countries can sell their goods in Canada cheaper than Canadian producers can, due to their cheaper manufacturing costs, which may be a result of a higher efficiency or lower wage scales and a lower standard of living. This of course can be protected in some way by tariffs, but the question of tariffs only leads us further into new problems. Canada's exposed condition ties her key prices

with world prices, and little effective action, whereby the Canadian price level could be raised or maintained fairly constant, could originate in Canada. Thus the obvious conclusion that we come to regarding the working hours of labour is that the position of Canadian workmen must be enlightened in some way or other ; one way in which something could be accomplished along this line is the immediate and careful revision of the factory acts, and uniformity for Canada ought to be sought for in this revision.

With regard to wages the same results can be noticed as those in connection with hours of labour. The wages paid to the majority of Canadian workmen are too low and leave them little chance to maintain a decent standard of living let alone prevent them from enjoying a few pleasures or comforts of the modern world. As everyone knows there is plenty of wealth for all, and so why should the majority of people suffer because of the unfair methods and practices of a few unscrupulous people who think only of making their profits? The position of the labourer, although extremely unsatisfactory and degrading, must not be attributed solely to the employers. The employers are merely following the obvious course due to the growth of competition which proceeds to increase as the depression continues. However the fact remains that the wages are low and must be raised. Whether minimum wage legislation can maintain these wages when once raised without the most strict enforcement will remain to be seen. It is of interest to note that just recently the Commons passed the minimum wage bill for Canada, and although no mention of uniformity is made, still this seems to be the idea back of it. Its effectiveness however must depend upon the rigid enforcement of its principles throughout the Dominion.

The problem of unemployment is an important one in Canada due to the highly seasonable nature of many of its trades, and many of its industries. Added to this seasonal unemployment are cyclical and technological unemployment, and altogether the three present a formidable difficulty to be faced by Canada. The disastrous effects upon the morale of the worker cannot be estimated but it is very great and has a tendency to demoralize him and sap much of his ambition. Men who are willing to work and cannot find employment certainly begin to lose faith in our economic system. What is wrong is that while the banks are crammed with money, our pockets are empty. The flow of purchasing power through the people has been stopped and the money is backing up into the banks, thus it is not performing its proper function. If the people had more purchasing power naturally demand for goods would increase, production would increase and unemployment would be lessened. Thus we must have some definite concrete planning on the part of the government whereby commerce and industry will begin to move again. This is the main problem and once accomplished the rest will follow. Whether the new Bank of Canada will revalue the gold, which it is taking over, at market price and use the money to begin a program of government expenditure is a question of some importance. There seems to be no definite reason why this should not be done; it is up to the government at Ottawa to lead the way. This program would certainly do much to start things moving again. With regard to seasonal unemployment, this might be alleviated in the future to some extent by more scientific planning on the part of management with respect to making allowances for orders in advance and other matters such as this.

With reference to accident and sickness of the worker, the present Workmen's Compensation Acts in Canada are working quite efficiently and fairly. The scheme of health insurance for workers is worthy of study and presents an opportunity whereby medical care may be available to all and yet have the medical profession receive a sufficient remuneration for the services rendered. The evidence as presented by the Royal Commission on Price Spreads and Mass Buying gives us considerable food for thought. There is no doubt that the eyes of many people were opened that formerly knew little of the grave abuses which were and are present in Canadian industry. Their probable recommendations as discussed in chapter 7 are of special importance and several good suggested reforms are made here.

It is not difficult to find fault with the present economic system but it is another matter to find solution for the different problems which are so numerous and complex. Each economic problem is interwoven with another, and each class of people in our economic order have different kinds of problems. The labouring class however have more than the other classes but their problems are not necessarily of paramount importance. Other factors must be considered and the various relations which these problems have, one to the other. The major problem, to put it simply, is how to get purchasing power into the hands of the people. We know that wealth is not equally distributed among the various classes in economic society and so something must be done whereby we may arrive at a more equitable distribution of wealth. Perhaps a realignment of our taxation structure presents a way out of the difficulty. Certainly the present taxation structure of Canada does not meet in its entirety the requisites of a sound or just taxation system. The burden should rest more heavily

upon the upper classes than it does at present. As it now exists, the middle class bear the heavier part of the burden, and this burden is not in the correct proportion to their ability to pay. The taxation system should be more scientific and flexible.

However this is only one phase of the problem before us. New problems and conditions are continually arising and require new solutions, this is the economist's task. The various reforms which are to be made to get Canada out of the depression must, in some measure, be in harmony with international conditions, as well as national. If the nations of the world could get together and meet in a friendly and cooperative spirit, forgetting their pride and their private and petty quarrels, and think of something else besides the furtherance of their own ends, a great deal could certainly be accomplished in bringing the world back to a more stable economic position. In Canada we need government regulation and control of business, but this control of industry must be used in the proper way. It must be just and fair and properly regulated with a lack of any form of corruption or partiality. How otherwise can these unfair practices and methods as now evidenced in business be eliminated. The proposed Economic Council of Canada is a step in the right direction, since it should have considerable to do with social and economic planning.

The development of our export markets is needed, but the growth of economic nationalism and the trend towards greater degrees of self-sufficiency together with the cessation of an increase and the probable future decline in the population of western Europe offers little encouragement for more than just holding our own in wheat exports. There are numerous constitutional problems

also to be faced. Along this line, pending an amendment of the B.N.A. Act, uniform company legislation is urged, as well as harmony in industrial and social legislation. There is also urged, by the Round Table Conference, held last May in Montreal by the Canadian Institute of International Affairs, provision for adequate regulation on a national basis of production and marketing in the great major industries. And lastly, a flexible amending procedure is urged, because no rigid constitution can long remain satisfactory in a world of rapid and unpredictable change.

We finally come back to the point where government control of business is strongly advocated. Government intervention in business has become necessary, and examples come readily to the mind. The clashes of labour and capital have been met in part by legislation dealing with the employment of women and children, hours of labour, and with reference to minimum or fair wages. Attempts have been made in some cases to deal with the problem of unemployment by means of unemployment insurance schemes. To-day industry is again loud in its protestation of governmental interference and yet they urge legislation to raise tariff barriers which is inconsistent.

In the present depression with its wholesale unemployment and need of relief by a large part of the population, it is significant to note where the needy are turning in their distress--it is to the public treasury whether controlled by local, provincial or Federal authority. It would seem logical that if governments have to foot the bill in the event of a breakdown of the economic machine, they might be expected to take steps to prevent the recurrence of such breakdowns. These steps would presumably be in the nature of further interference in the field of industry.

The problem of making a living to-day is far removed from that of the years before the intricate division of labour and mass production. The present industrial organization is a complex and delicate mechanism and as yet has by no means been brought under control. The economic activities of modern man are tremendous in their implications, social and otherwise, and the labourer is scarcely in a position to appreciate his part in the vast economic organization or to help himself if the organization runs into difficulty temporarily. What is the obligation of industry to labour? Is it not the duty of industry to take steps to safeguard labour against the uncertainty of unemployment? Should there not be united action among business leaders towards scientific planning? If industry does not meet labour's demands, the government must and can, along legislative lines. The ultimate amount of success in furthering the present needed reforms for the betterment of the conditions of labour in Canada is difficult to determine. Labour legislation presents part of the solution for the problem, even if only in a small way, and the extent to which the Right Honourable Mr. Bennett's proposals, dealing with government control of industry and business and a better deal for labour, will be carried out is a question of immediate issue and great importance to everyone. However the case for labour need not be cited any longer, for their depressing conditions are only too obvious. The sooner their standards of living and working conditions are improved, the more beneficial will be the effect produced on the welfare of the community of which they comprise the majority.

Governments should act for the people and the time to act is now. Where an institution has grown so large so that the employer cannot control the personal problems of his employees, then

a system should be incorporated wherein the problems of the employees can be adequately and fairly dealt with. The problems of the worker are of major importance to-day, and it is only fair to them that we look into their difficulties. Does every Canadian enjoy his natural freedom and right? The people of Canada are really enslaved to the economic conditions of the country. The majority of those on the dole to-day ask merely one thing, the freedom to work. Is a man free when he cannot sell his own labour? It is up to the government to act; reform can only come through it. Government control of business seems to be the only evident and immediate way out of the difficulty. Labour is now treated as a commodity, which is against the principle as set up by the I.L.O. Our democracy needs to be revived and purified, since a democracy depends upon the lives, characters and actions of the individuals that go to make up that democracy. There is no valid reason, or at least there should not be any, why everyone should not be able to have free access to the pleasures and comforts of our modern world, and not be subjected, as so many people are, to the depressing conditions which now exist, of low wages, unemployment, long hours and numerous other hardships. However we must be optimistic when we look to the future, and our faith in the progress of mankind must be kept. Surely there is some way out of these unpleasant circumstances. The ability of man to overcome ultimately his difficulties will doubtless pave the way to better times, to prosperity, where a decent standard of living prevails and where everyone can reap the full benefits of nature's bountiful gifts. It is cheering to note that Canada, in comparison to most other countries, has weathered the depression quite well.

Bibliography.

1. Canadian Labour Laws and the Treaty--Bryce Stewart--1926.
 2. Proceedings-Canadian Political Science Association, 1932-
 The Extent of Unemployment in Canada, 1929-32--
 H.M. Cassidy
 A.G. Heakes
 G.E. Jackson.
 Relief Works as a Remedy for Unemployment in Light of
 Ontario's Experience, 1930-32.
 H.M. Cassidy.
 Discussion- L.M. Marsh.
 3. Proceedings-Canadian Political Science Association, 1934-
 Population Movements in Canada, 1921-31, and Their Implications.
 W.B. Hurd.
 4. Labour Legislation in Canada- Revised Statutes of Canada.
 5. Canadian Bankers Association- October 1933.
 6. Canada Year Book- Chapter 19.
 7. Labour Gazette.
 8. Hamilton Spectator- February 16, 1935.
-