

REAL WAGES IN CANADA

1919 - 1932

WITH A SPECIAL ANALYSIS OF EARNINGS IN 1931

BY

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## INTRODUCTION.

In recent times, such phrases as, "Standard of living" and "Purchasing Power", are on everybody's lips. And yet these everyday expressions have no intelligible meaning for many people. We find that in trying to clarify the concept of real wages, we soon get into enough statistical difficulties, to render the conclusion less positive than we had hoped, would result.

We have attempted our study in the following order. First: An historical review of real wages in Canada, obtained from wage rates, weighted with the cost of living and adjusted for unemployment. Second: An analysis of "Earnings Among Wage-Earners in Canada", as published by the Dominion Bureau of Statistics in Bulletin No. 33 of the census of 1931. Third: An attempt is made to relate these earnings to representative budgets for that year.



## CHAPTER 1

As will be realized, such a study as Real Wages in Canada, is dependent upon the scope and reliability of the statistics collected at Ottawa, by the Dominion Bureau of Statistics, and the Department of Labour. These departments published their data in the form of indexes. This is the only way of measuring changes which would mean nothing observed individually, but when classed together, show a trend. An index number gives a general measurement of magnitude for comparative purposes. Because of the difficulty of computing such indexes, an accuracy of five points plus or minus, would not be unreasonable for Canadian figures, as suggested by Dr. Bowley for similar English statistics.

The "Cost of Living" is a variable, differing with the different classes of society. There is a minimum standard which is called subsistence level or poverty. Under normal conditions, we do not see very much of this, but a depression makes it more familiar. People on relief or accepting aid are at this level. This is not just enough to keep body and soul together, but rather enough to prevent people from turning to revolutionary or anti-social attitudes. The conventional standard is the one we know better. There is great resistance to sinking lower than the average of the group. This standard allows maximum efficiency, (though unconsciously) and is the average on this continent as compared with others. For the sake of clarity, we will class all standards under one cost of living until the last chapter.

Both the Bureau and the Department mentioned above, calculate a cost of living index for Canada, which will be found on Table A below, with the official figures for the cost of living in Great Britain and the United States. The Department's index most closely resembles the British figures, by including a lesser number of commodities than the Bureau of Statistics takes into account. From the table, it can be seen, that the indexes substantially agree, and the trend is easily discernible. The same is true of wages rates; they are substantially correct.



If we weight the wage index, as published by the Department, with the cost of living index as published by the Bureau, we get some idea of the course of the value of wages expressed in consumable commodities or Real Wages. We use the Bureau's cost of living index, because it is probably the most representative of Canadian wage-earners standard of living. Due to the inertia of the wage scale, there is a considerable time lag between movement of retail prices and a similar movement in wages. When the cost of living goes up faster than wages, as happened during the war, and the year 1920, the worker is relatively worse off. If prices fall faster than the wage scale, the employed worker benefits and is relatively better off, as happened markedly in the depression years 1930-32.

As can be seen from Table B., Real Wages declined from 1913 to 1917 in Canada due to the war, and a similar trend is observable in the United States, the year that country entered the war. From 1918 to 1924, Real Wages rose in Canada with the exception of one year-1920. In the United States, wages for employed workers rose in 1920 also and continued to do so evenly for as long as figures are available. A slight setback in 1925 and 1926 was noticeable, <sup>IN CANADA</sup> but in 1927 the rise was resumed and continued until 1932, but it was accompanied by a heavy increase in unemployment. It must be understood therefore, that these figures are for employed workers only. If the return to wage-earners as a class is considered, the factor of unemployment must be taken into account.

It is convenient to mention at this period, that the Bureau of Statistics makes a practice of adding to the number of commodities included in its index to keep it in touch with demand. Such a practice is commendable, and note should be taken, that the satisfactions obtained may be higher than recorded by the change in the cost of living. They must be greater or the demand would not have changed. The advance of science and mass production has improved and increased the number of commodities that are considered necessary for life. Just as we have better homes made cheaper, so we have electricity for light rather than gas, and more leisure in which to employ our advantages. There are non-necessity articles that are now part of the cost of living for the average family, such as cars and radios. The cost of these commodities has fallen far more than the cost of living proper. In these ways, Real Wages have advanced even more than registered by



our indexes.

For an accurate consideration of Real Wages in separate trades, an index of short time and overtime, to adjust the wage index is desirable. Since this is not available, the best we can do is to use figures for unemployment, as reported by trade unions. This probably weights the index too heavily in prosperous times, and too lightly in times of depression. On Table C below, will be found a calculation of real wages by trades, based on wage indexes, reported by the Department of Labour. From this table, we see that real wages for full time workers is printing trades have advanced 75 per cent from 1919-32. The advance has been gradual and even, and real wages for printing tradesmen as a class allowing for unemployment, advanced 54 per cent. In the factory trades, the advance in commodity pay for full time workers, was 34 per cent. The maximum advance for the class was from the lowest in 1921 to the highest in 1928, being 25 per cent. In 1932, they were, as a class, little better off than in 1919. The wages for electric railway workers, both full time and as a class, advanced 45 per cent. The unemployment figures do not appear to be correct in this trade. The advance for employed steam railway workers was 31 per cent. The greatest advance for the class was between 1921-28 by an advance of 17 per cent. The steam railway workers as a class maintained a 14 per cent advance in real wages in 1932 over those of 1919. *ADVANCED 58 %;* The real wages of full time wage-earners in the building trade as a group, however, <sup>THEY</sup> had declined in 1932 by 36 per cent from the 1919 level, all of which was caused by the depression of 1930-33. Real Wages for the class, advanced from 1919 to 1929 to the extent of 36 per cent; this was accomplished very steadily. But so severely did the depression hit the building trade, as to wipe out the income of the class by 54 per cent, from its 1929 level. The building trade was worse off in 1932 than in any period in our study. The advance in wages in the metal trades for full time workers, covered by our period, was 26 per cent. As a class, metal workers were best paid in 1929; it was 30 per cent higher than the low in 1921. the decline from 1929 to 1932 wiped out any advance over 1919. Full time employees in coal mining were 26 per cent better off in 1932, than in 1919. The greatest period of their prosperity was from 1921-24, when the wage rate had been raised, to agree with the cost of living of 1920. Real Wages have progressed since then by about 16 per cent. The advance of the class in 1932 was 13 per cent above the



1919 figure. Real wages for those employed in logging and sawmilling fluctuate more than those of any other industry. Even the wages for full time workers fluctuate. The lowest year for their real wages was 1921, and the highest 1928. The advance between this stage was 34 per cent. The advance of 1932 over 1919 was only 9 per cent. When unemployment is added, it confused the trend so, that only a consideration of individual years avails much. The advance for common labour has not been very great but steady; for full time workers it was as much as 26 per cent. The lowest Real Wages as a class were obtained in 1921, the highest in 1927, the increase being about 20 per cent. From 1927 to the present the decline has been gradual and common labour as a class is only 2 per cent better off than in 1919. These figures tabulated, are as follows:

TRADE.	Advance of 1932 over 1919 full time workers.	AS A CLASS.		
		Advance of 1932 over 1919.	Greatest Advance.	Years of Greatest Advance.
				LOW - HIGH
Printing.	75 per cent.	54 per cent.		Gradual.
Factory.	34 " "	None	25 per cent	1921-1928
Electric Rails.	45 " "	45 " "		Gradual.
Steam Rails.	31 " "	14 " "	17 " "	1921-1928
Building.	58 " "	36 " "	36 " "	1919-1929
Coal Mining.	26 " "	13 " "	20 " "	1926-1928
Metal Workers.	26 " "	None	30 " "	1921-1929
Logging.	9 " "	-	34 " "	1921-1928
Labour	26 " "	2 " "	20 " "	1921-1927

It is clear from the above table that the workers were at the height of their effective buying power in 1928-29. If the cure to our economic ills lies in keeping up the purchasing power, real wages will still further have to be increased which probably means the share going to labour increased. In almost every trade, wages advanced from 1919 to 1928-29. Then that deep depression set in and with unemployment, took away much, if not the whole advance.



# REAL WAGES IN CANADA 1919-1932



FIGURES FROM TABLE D.



There are figures, collected by the Bureau of Statistics, that show the opposite trend to our thesis. These are on Table E. In the census years 1911 and 1921, the Bureau collected earnings of fathers of families, and classified them by different trades as shown. It so happened, that our decennial census crossed with the economic cycle to show the downward trend.

In the year 1911, wages were just going up, as they always do before a depression, which was due in 1913-1914. In 1921, the depression of that period was well started and earnings were at their lowest point in most trades. In 1931 the depression was just starting, but the figures include all wage earners in the enumerated trades. The wages for the larger group including the unmarried and younger workers, were certain to be lower than for heads of families alone.

This explains the unexpected decline. A five year census would help a great deal in this regard. It is of interest to note, that electricians and transportation workers advanced despite the sequence of events. Electricians were in growing demand, and railway workers were unionized. Greater urban population probably influenced both occupations.

To conclude, we present a survey of labour as a class. Below are found, the official indexes, weighted with average trade union unemployment. From this Table D. we see, that those who have lost no time up to 1932 are 20.7 per cent better off than they were in 1926, and that they are about 40 per cent better off than in 1919. But the wages of wage earners as a group, in 1932, were below the 1926 level. The figures used for unemployment are very conservative; the case as stated indicates the minimum decline. Probably better estimates by Cassidy, Heakes & Jackson, that tally close to the census of unemployment in 1931, put the figures as follows:

YEAR	UNEMPLOYMENT	ADJUSTED REAL WAGE.
1930	15 per cent	92.3
1931	23.6 " "	90.3
1932	35 " "	78.5

Real wages adjusted for these figures show an amazing decline to the extent of about 15 per cent below those of 1926 and even below those of 1919. They are only estimates but probability is all on their side.



## T A B L E. A.

## Indexes for the cost of living.

	Bureau of Statistics.	Labour Dept.	Official English.	Dept. of Labour of U. S.
1913-	100	100	(1914) 100	100
1919	176	176	216	188.3
1920	194	190	260	280
1921	166	161	209	178
1922	157	157	182	167
1923	158	159	173	170
1924	155	156	175	170
1925	158	160	175	175
1926	158	157	174	174
1927	156	157	167	172



T A B L E. B.

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YEAR.	Cost of living.	Wage Index.	Real Wages.	R. W. in U.S. Manufactures.	Industries in U. S.
1913	63.7	55.4	87		
1914	66.	56.1	85	100	100
1915	67.3	56.1	83.3		102
1916	72.5	58.6	80.8		104
1917	85.6	65.9	77.		101
1918	97.4	79	81.1		104
1919	107.2	91.5	85.1	111	105
1920	124.2	109.5	81.1	114	106
1921	109.2	105.9	96.7	116	108
1922	100.2	101.1	101.1	120	113
1923	100	101.5	101.5	128	119
1924	98	101.7	103.8	128	118
1925	99.3	99.5	101.1	128	119
1926	100	100	100	130	121
1927	98.4	102.1	103.8	132	
1928	98.9	103.2	104.3		
1929	99.9	106.8	107		
1930	99.2	107.8	108.6		
1931	89.6	106.6	118.3		
1932	85.5	99.1	121.5		



## PRINTING TRADES

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TABLE C

YEAR.	Cost of Living.	Wage Index	Real Wages.	% of Unemployment.	Adjusted R.W.
1919	107.2	75.4	70.5	1.1	69.6
1920	124.2	95.2	76.6	1.6	75.4
1921	109.2	100.	91.7	4.7	87.4
1922	100.2	99.7	99.6	4.6	95.
1923	100.	97.8	97.8	4.2	93.7
1924	98.	99.2	101.1	6.	95.
1925	99.3	99.7	100.3	6.3	94.
1926	100.	100.	100.	4.	96.
1927	98.4	101.	102.5	3.3	99.1
1928	98.9	102.6	104.	2.7	101.2
1929	99.9	104.2	104.3	2.5	101.7
1930	99.2	104.5	105.3	5.4	99.6
1931	89.6	106.1	118.2	9.	107.6
1932	81.5	100.4	123.1	13.7	107.2

## FACTORY TRADES

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.	100.1	102.	10.2	91.6
1925	99.3	99.3	100.	10.6	89.4
1926	100.	100.	100.	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	1012.3	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 C Con'd.

## Wages in Electric Railways.

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YEAR.	Cost of Living.	Wage Index.	Real Wages.	Percent. of Unemployment.	Adjusted Real Wages.
1919	107.2	86.7	80.8	.8	80.2
1920	124.2	103.2	83.	1.8	82.3
1921	109.2	102.1	93.6	1.8	91.9
1922	100.2	98.3	98.1	1.7	96.4
1923	100.	99.1	99.1	2.	97.1
1924	98.	99.2	100.1	1.6	99.5
1925	99.3	99.8	100.2	1.3	99.
1926	100.	100.	100.	.6	99.4
1927	98.4	100.4	102.1	.2	101.9
1928	98.9	103.	104.2	.2	103.9
1929	99.9	105.2	105.	.5	104.5
1930	99.2	106.	106.8	1.3	105.4
1931	89.6	105.2	117.3	1.3	115.3
1932	81.5	95.9	117.6	1.3	116.1

## Wages in Steam Railways.

1919	107.2	98.7	92.	1.6	90.5
1920	124.2	118.3	95.1	1.8	93.4
1921	109.2	105.1	96.3	6.4	90.1
19 22	100.2	98.8	98.7	4.4	94.4
1923	100.	99.1	99.1	2.	97.1
1924	98.	100.	102.	4.1	97.8
1925	99.3	100.	100.7	4.1	96.6
1926	100.	100.	100.	3.	97.
1927	98.4	106.5	108.3	2.7	105.4
1928	98.9	106.5	107.8	2.1	105.5
1929	99.9	109.6	109.8	4.2	105.2
1930	99.2	109.6	110.4	7.5	102.
1931	89.6	106.9	119.3	11.7	105.3
1932	81.5	98.6	120.9	14.6	103.2



TABLE C Con'd. Wages in the Building Industry.

YEAR	Cost of Living.	Wage Index.	Real Wages.	Percent. of Unemployment.	Adjusted Real Wages.
1919	107.2	86.1	80.3	9.	72.9
1920	124.2	105.	84.4	8.3	77.4
1921	109.2	99.1	91.	6.4	85.3
1922	100.2	94.3	94.1	13.3	81.6
1923	100.	96.9	96.9	11.6	85.7
1924	98.	98.5	100.3	18.1	82.2
1925	99.3	99.	99.8	14.9	84.9
1926	100.	100.	100.	12.6	87.4
1927	98.4	104.1	106.	13.4	91.8
1928	98.9	107.7	108.8	10.9	96.9
1929	99.9	114.8	115.	13.2	99.8
1930	99.2	118.	118.9	30.5	82.6
1931	89.6	113.6	126.6	45.4	69.1
1932	81.5	103.5	127.	62.1	46.2

## Wages in Metal Trades.

1919	107.2	101.7	94.9		
1920	124.2	118.	94.9	4.4	90.7
1921	109.2	105.3	96.2	20.	77.
1922	100.2	97.8	97.7	8.3	89.6
1923	100.	98.	98.	3.4	94.4
1924	98.	98.9	100.9	8.7	92.1
1925	99.3	98.8	99.5	8.4	91.1
1926	100.	100.	100.	5.1	94.9
1927	98.4	100.6	102.3	6.6	95.6
1928	98.9	101.7	102.6	3.2	99.3
1929	99.9	104.2	104.3	4.1	100.
1930	99.2	105.1	106.	8.3	97.2
1931	89.6	102.9	112.8	16.8	93.9
1932	81.5	98.5	120.8	24.	91.8



## Wages in Coal Mining.

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TABLE C Con'd.

YEAR.	Cost of Living.	Wage Index.	Real E Wages.	Percent. of Unemp loyment.	Adjusted R. W.
1919	107.2	101.8	95.	1.6	93.5
1920	124.2	118.	94.9	1.	94.
1921	109.2	124.4	114.	10.9	101.6
1922	100.2	118.1	118.	6.5	110.
1923	100.	118.1	118.1	5.2	111.9
1924	98.	114.6	117.5	6.9	109.4
1925	99.3	100.1	100.8	8.7	103.8
1926	100.	100.	100.	9.5	90.5
1927	98.4	100.1	102.	3.6	98.3
1928	98.9	101.	102.1	4.7	97.3
1929	99.9	101.	101.1	4.4	96.7
1930	99.2	101.5	102.3	7.2	94.9
1931	89.6	101.5	113.5	11.1	100.8
1932	81.5	97.9	120.1	11.5	106.3

## Wages for Logging and Saw-Milling.

1919	107.2	93.8	87.4		
1920	124.2	111.9	90.		
1921	109.2	84.4	77.3	3.9	48.
1922	100.2	87.8	87.6	8.3	80.3
1923	100.	94.3	94.3	3.1	91.4
1924	98.	101.2	103.2	17.1	85.5
1925	99.3	98.9	99.6	23.8	65.9
1926	100.	100.	100.	11.	89.
1927	98.4	101.1	102.6	.1	102.5
1928	98.9	102.	103.4	5.4	98.8
1929	99.9	102.5	102.6	4.2	98.3
1930	99.2	101.8	102.6	17.4	84.8
1931	89.6	90.2	100.5	31.2	69.1
1932	81.5	78.1	95.8	35.9	61.4



## Wages for Unskilled Labour.

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TABLE C Contd.

YEAR.	Cost of Living.	Wage Index.	Real Wages.	Percent. of Unemployment.	Adjusted R. W.
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.	93.3
1926	100.	100.	100.	5.1	94.9
1927	98.4	100.1	102.	4.9	98.
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.	107.	16.8	89.
1932	81.5	92.6	113.6	22.	88.6

## Wages for Labour as a Class.

TABLE D.

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
19 31	89.6	106.2	118.3	16.8	98.4
1932	81.5	99.	120.7	21.5	94.7



TABLE. E.

Occupation.	Nominal Wages.			Real Wages.			Percentage Change.	
	1911	1921	1931	1911	1921	1931	1911-21	1921-31
Bakers.	729.4	125.1	912	1176	1146	1018	- 2.6	- 11.2
Brick Layers.	716	1115	830	1155	1048	926	- 9.2	- 11.6
Carpenters.	744	1143	789	1200	1047	858	- 12.8	- 18.1
Chauffeurs.	779	1117	849	1256	1076	945	- 14.4	- 12.2
Domestics.	675	1089		1089	997		- 8.5	
Electricians	851	1421	1222	1387	1301	1453	- 6.2	+ 11.6
Labourers.	537	913	480	866	835	535	- 3.6	- 36
Painters	712	1096	761	1147	1003	827	-12.6	-17.6
Plumbers	832	1241	1017	1356	1145	1135	-15.6	-.9
Trainmen	1029	1819	1874	1660	1667	2091	+ .4	+ 25.4
St. Ry. Emp.	723	1420	1325	1165	1300	1456	+11.6	+12.
Salesmen	875	1435	1048	1362	1314	1165	-3.5	-13.7

Index Number of p rices.

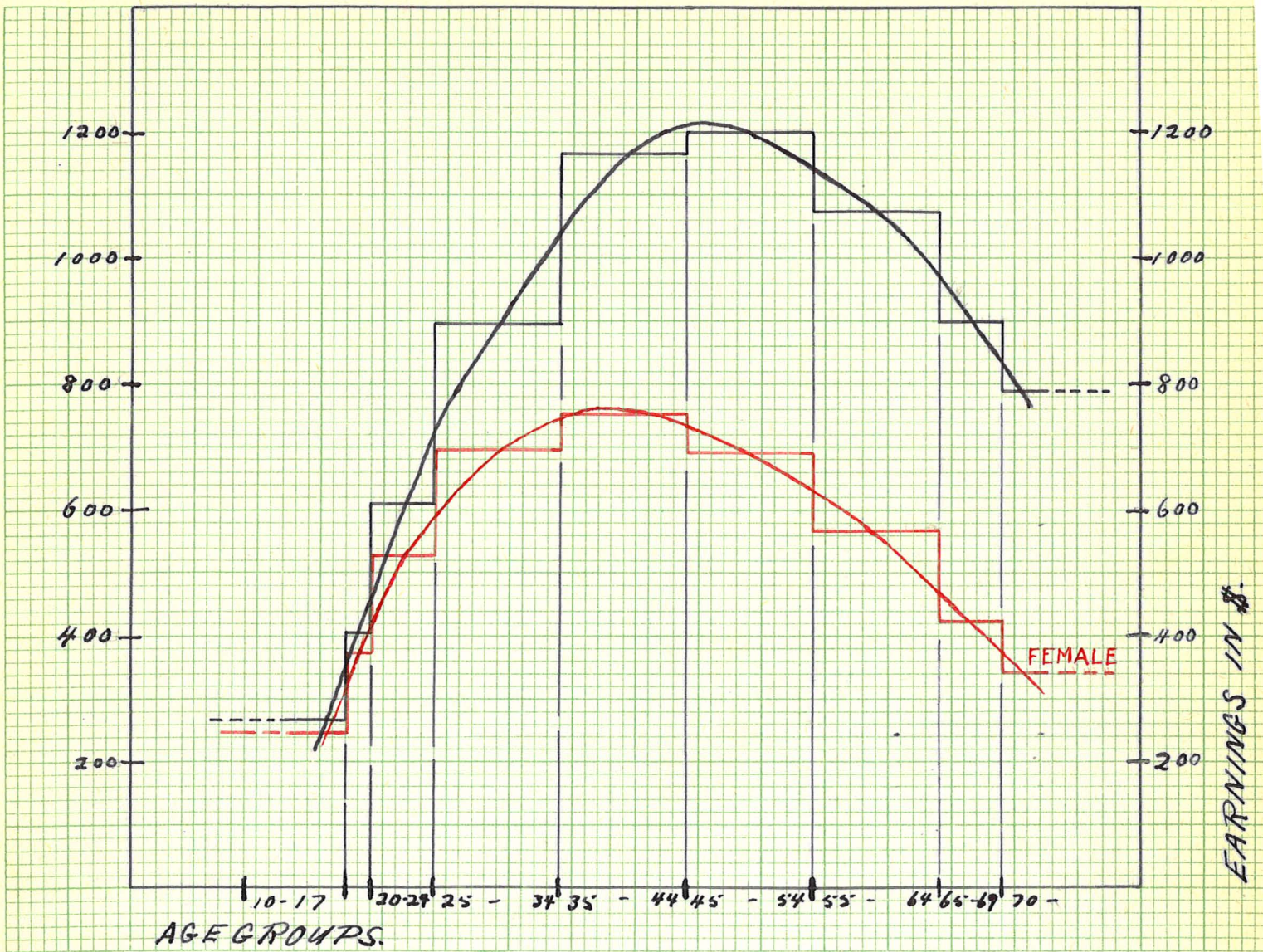
62\* 109.3 89.6

\*Estimated from wholesale prices.

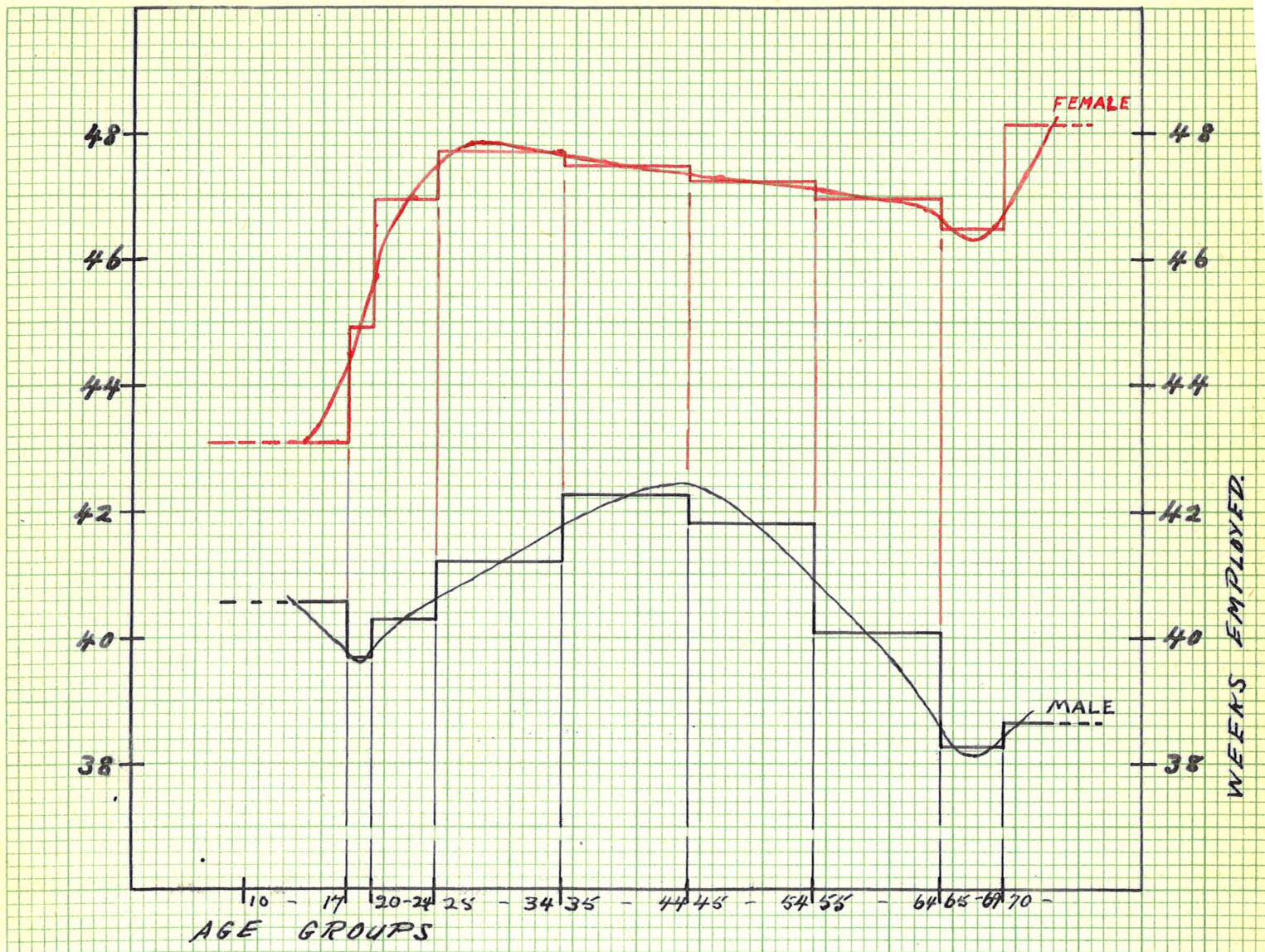


AVERAGE YEARLY EARNINGS BY AGE GROUPS

CHART 1

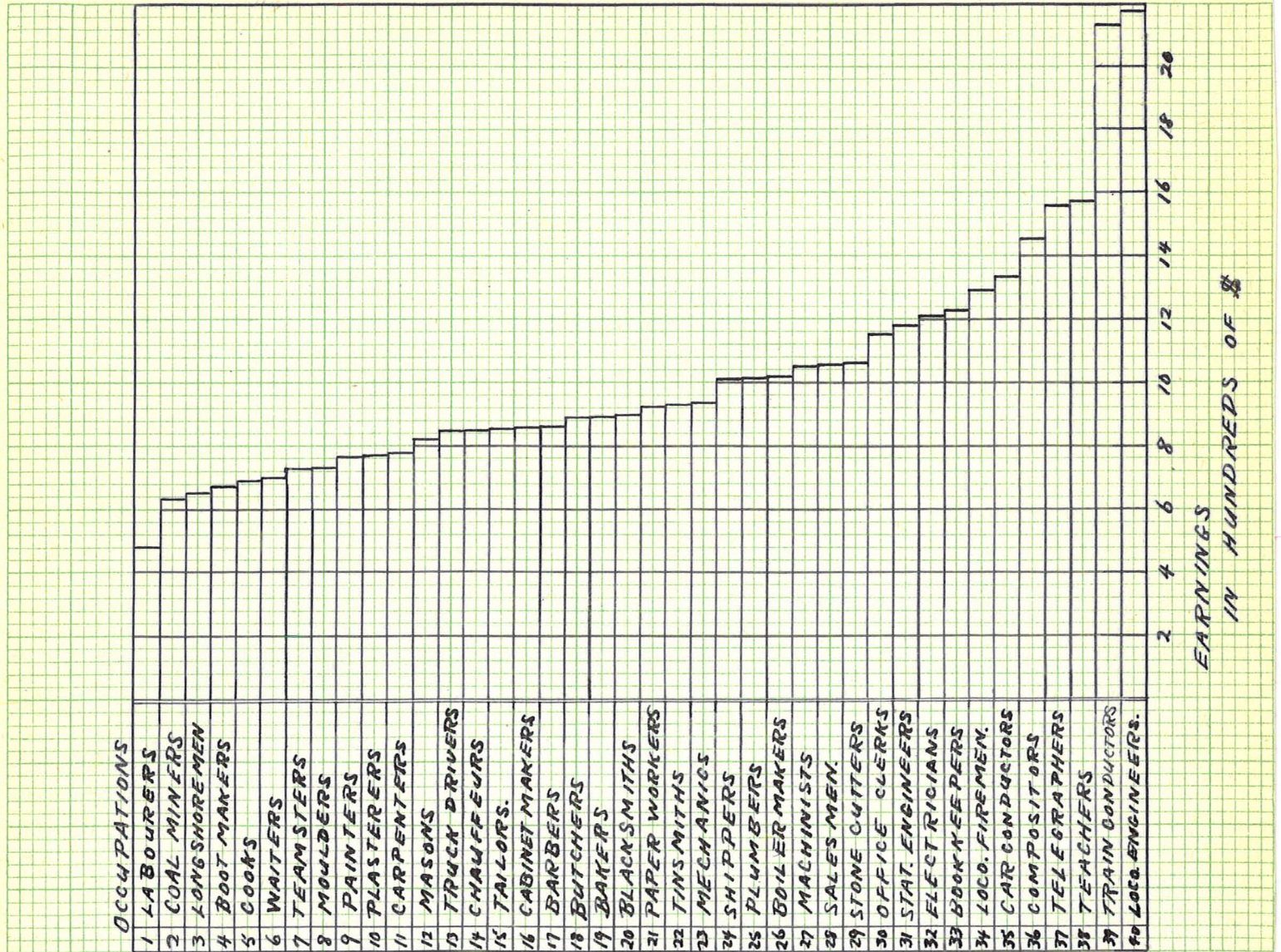








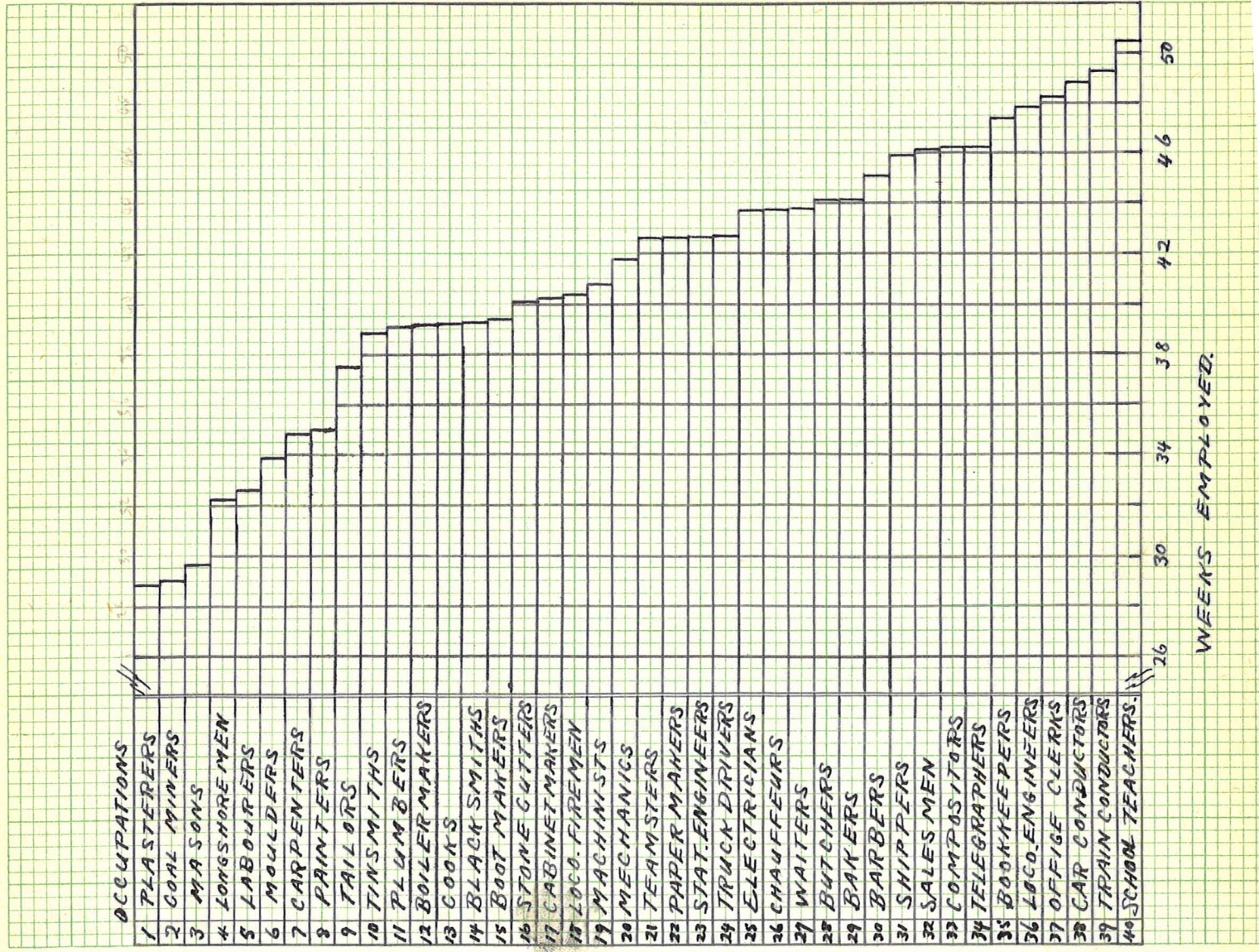
AVERAGE YEARLY EARNINGS OF MALE WORKERS BY OCCUPATIONAL GROUPS CHART 3



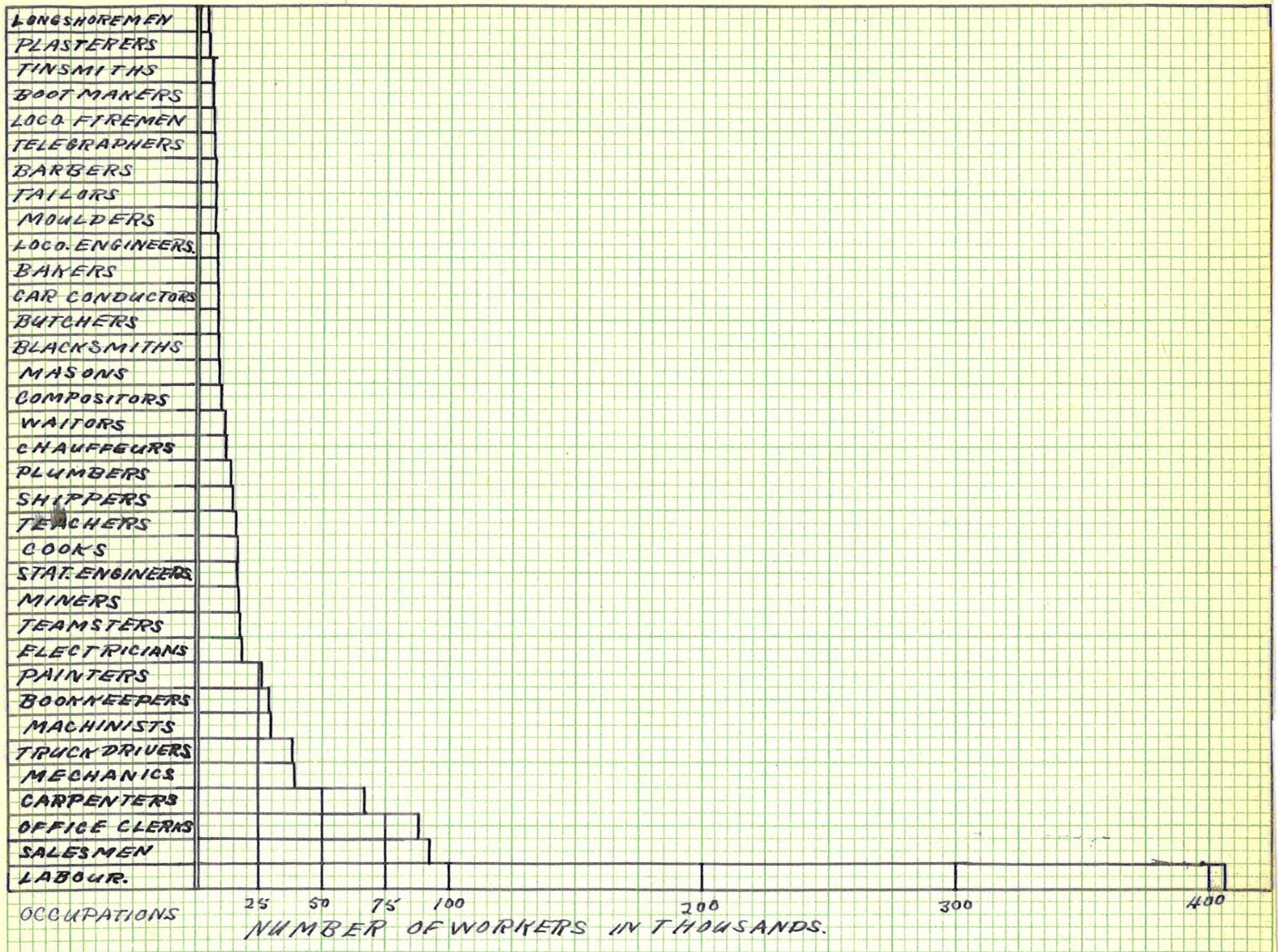
EARNINGS IN HUNDREDS OF \$



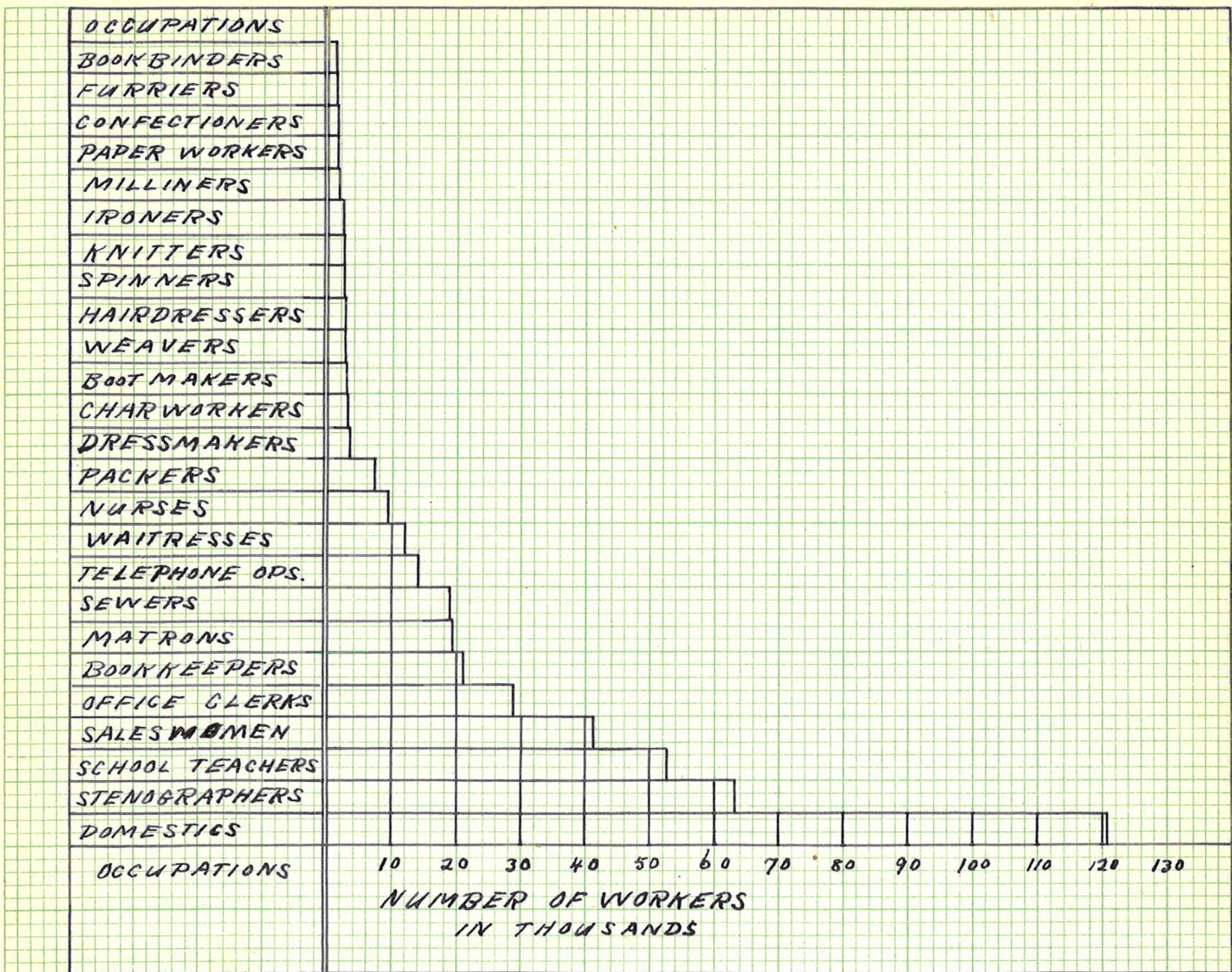
AVERAGE NUMBER OF WEEKS OF EMPLOYMENT OF MALE WORKERS BY OCCUPATIONS CHART 4





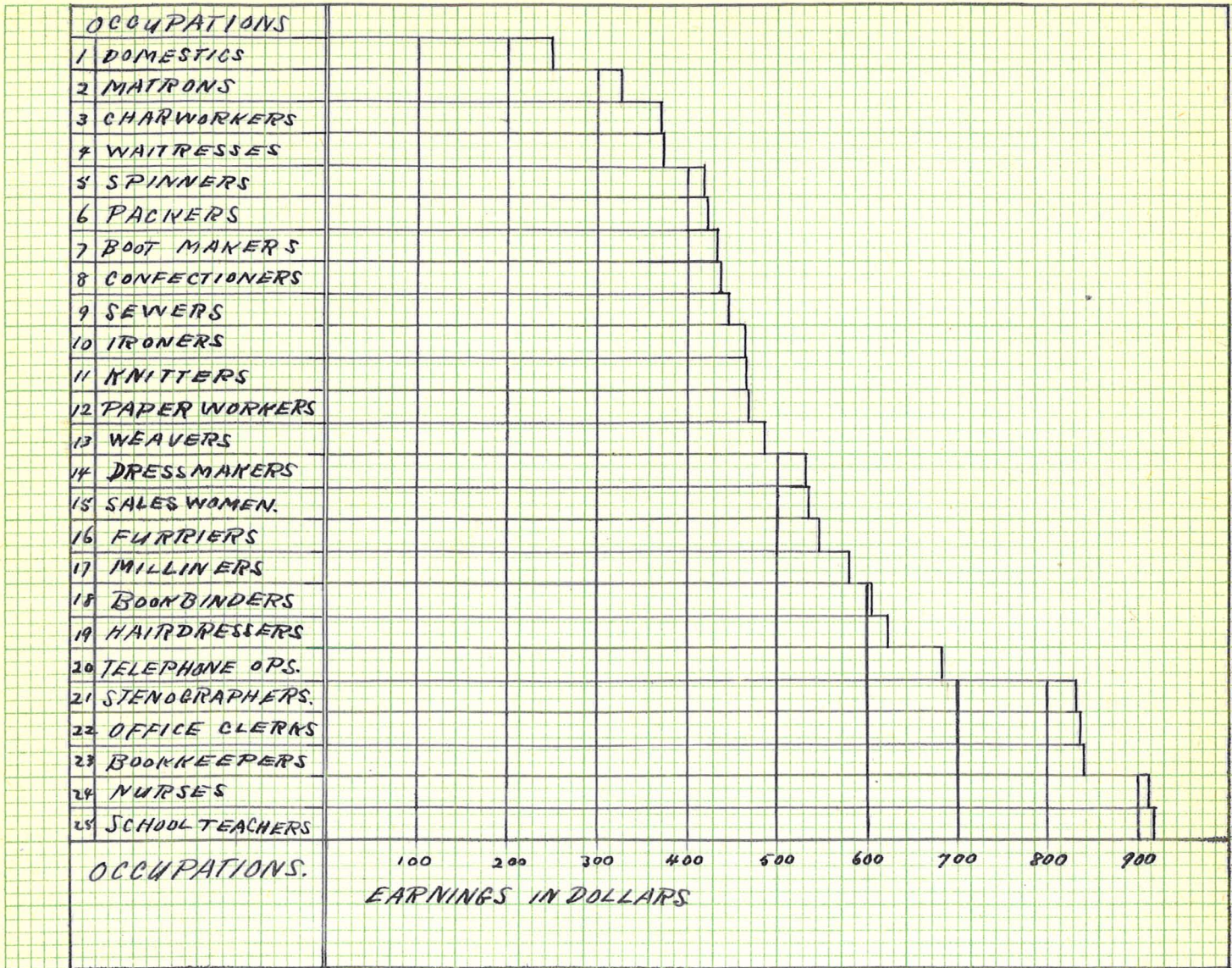






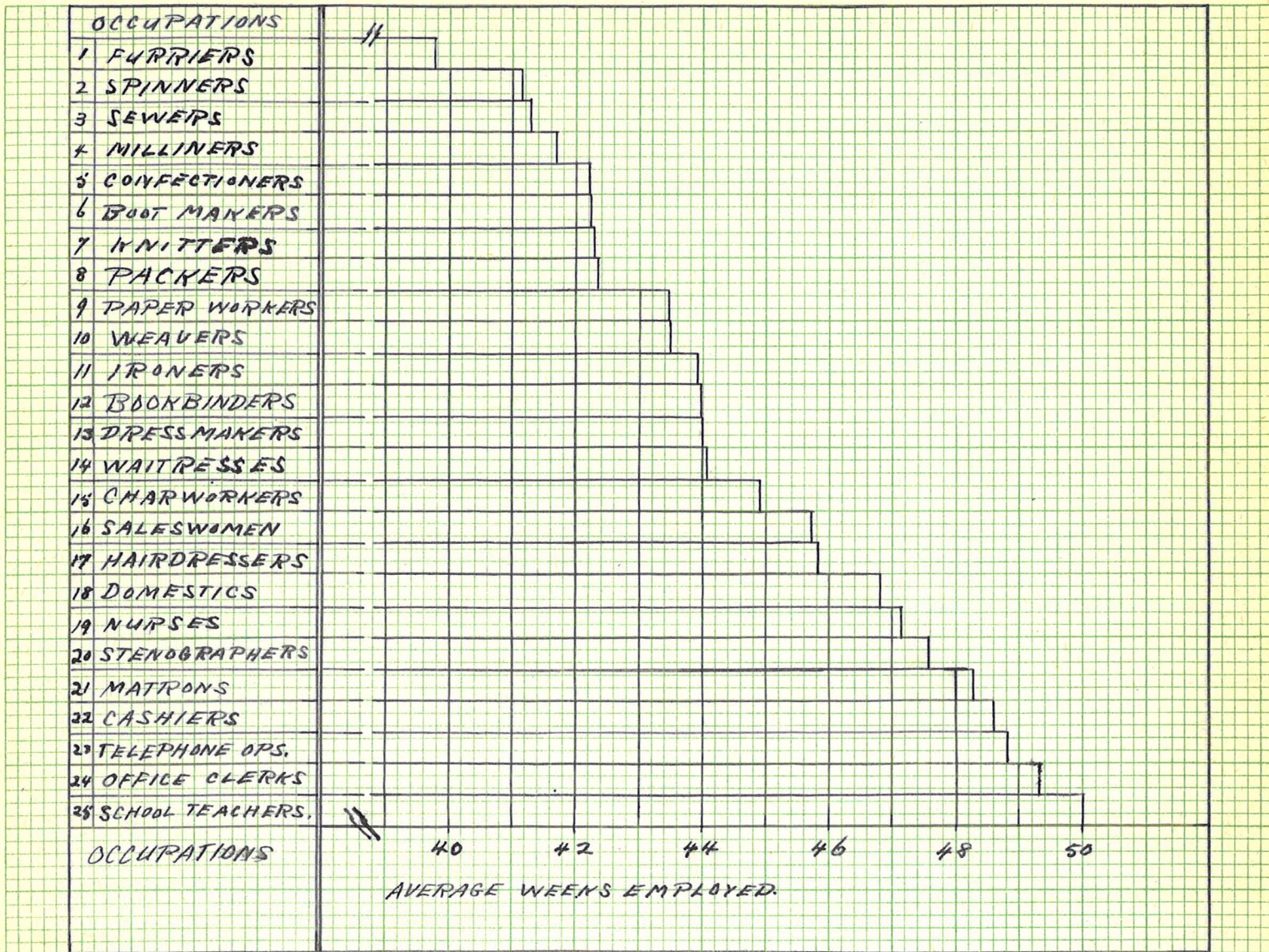


AVERAGE YEARLY EARNINGS OF FEMALE WORKERS BY OCCUPATIONAL GROUPS CHART 7

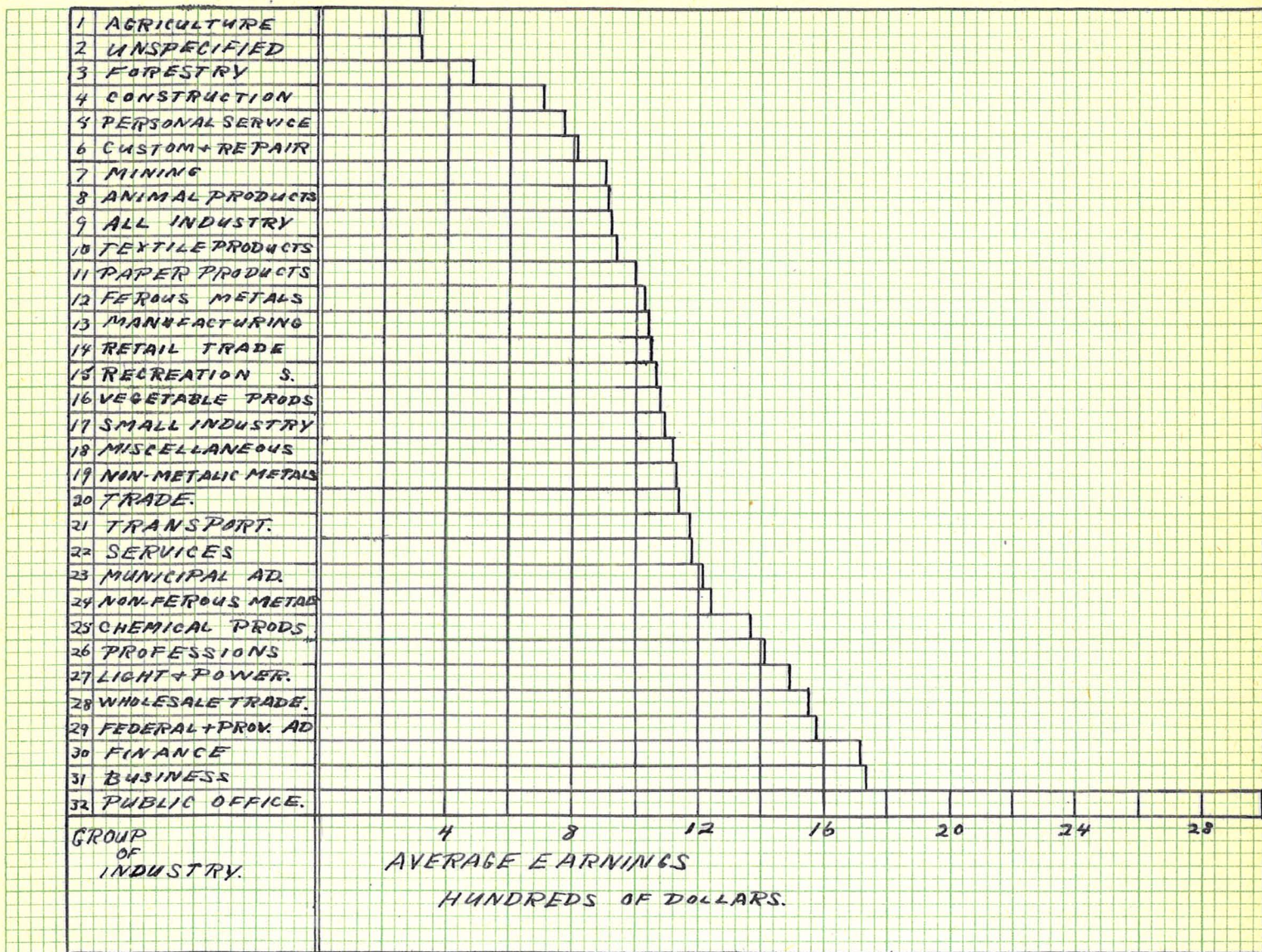




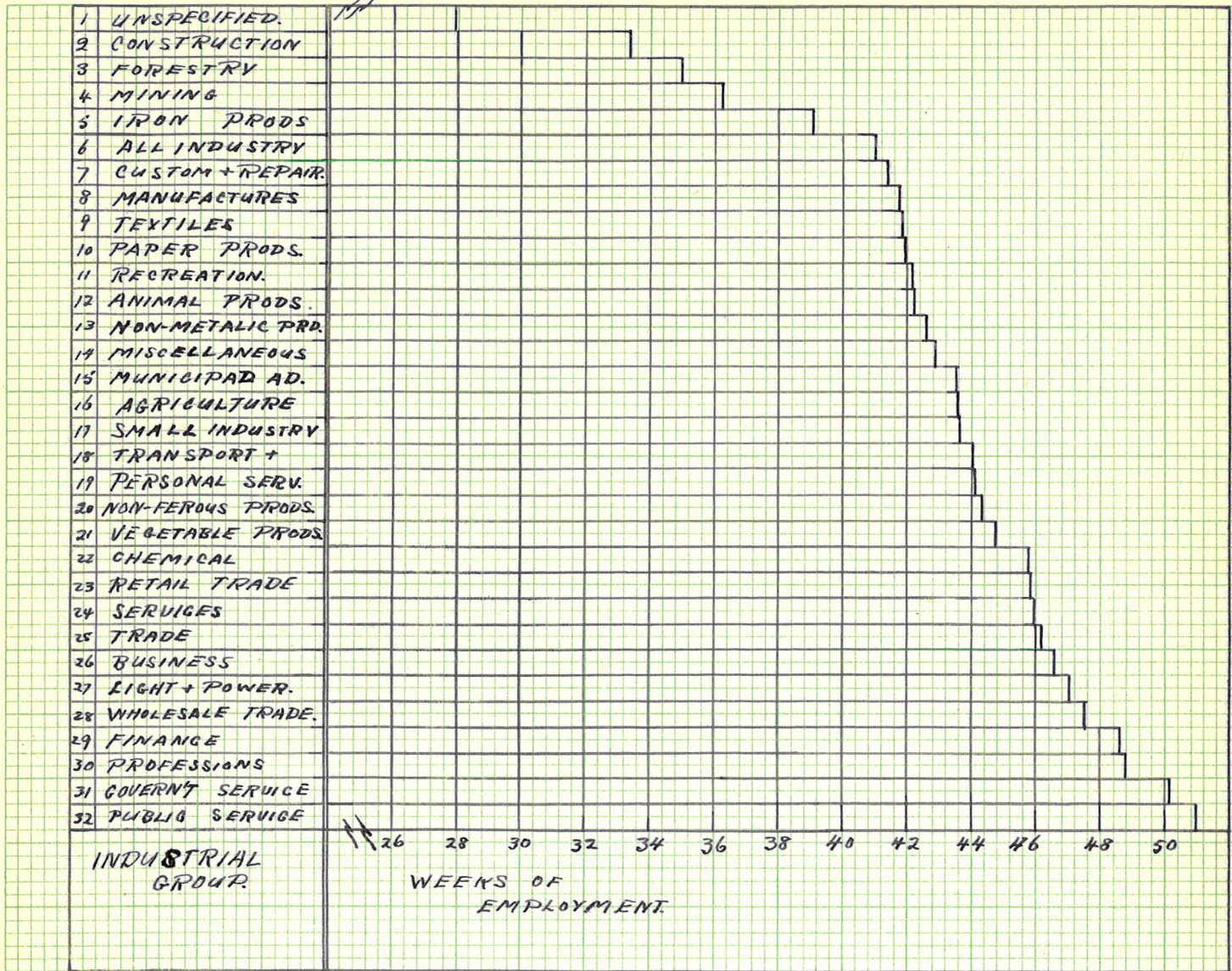
AVERAGE WEEKS OF EMPLOYMENT OF FEMALE WORKERS BY OCCUPATIONAL GROUPS CHART 8



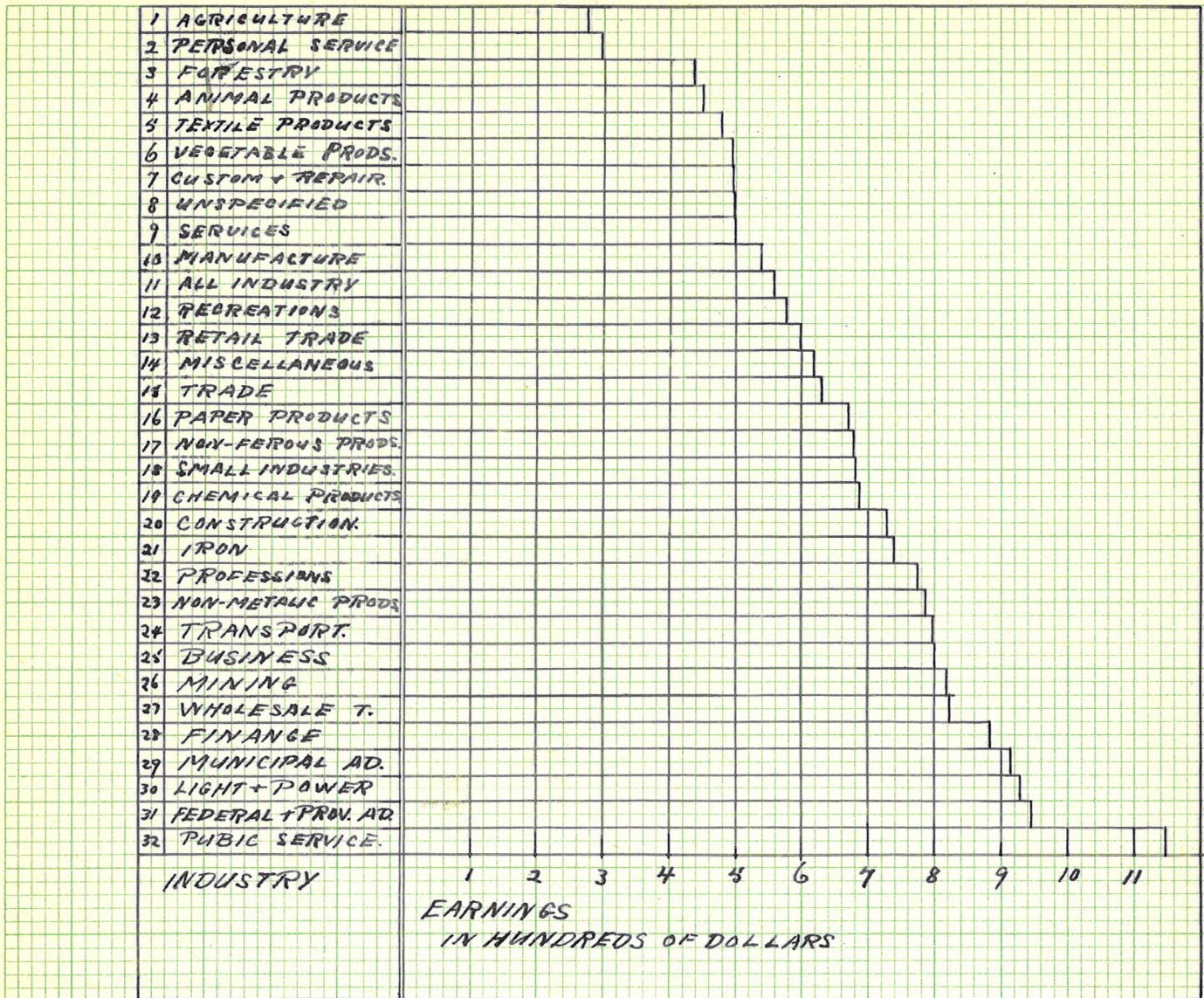














AVERAGE WEEKS OF EMPLOYMENT OF FEMALE WORKERS BY INDUSTRIAL GROUPS CHART 12

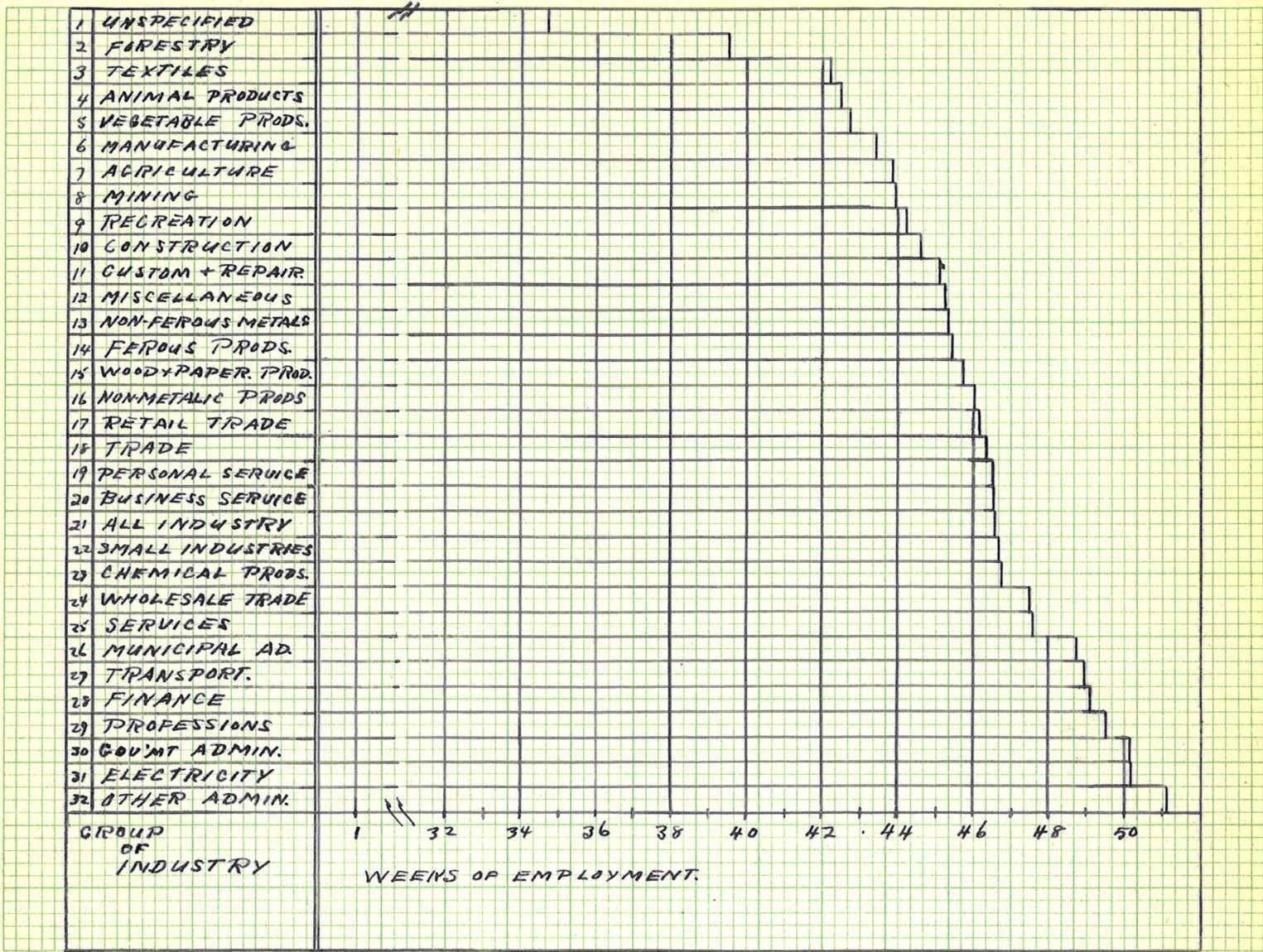




TABLE 1  
NUMBER OF PERSONS

Age Groups	Total	Male	Female
All Ages	2,477,038	1,948,500	528,538
17 Years & Under	116,672	70,063	46,609
18 - 19 Years	177,785	103,839	73,946
20 - 24 Years	468,159	298,375	169,784
25 - 34 Years	651,035	522,213	128,822
35 - 44 Years	480,234	423,376	56,858
45 - 54 Years	347,480	315,373	32,107
55 - 64 Years	171,263	156,209	14,973
65 - 69 Years	40,986	37,487	3,499
70 Years & Over	23,424	21,484	1,940

TABLE 2  
AVERAGE YEARLY EARNINGS BY AGE GROUPS

Age Groups	Male	Female
All Ages	\$927	\$ 560
17 Years & Under	270	251
18 - 19 Years	405	376
20 - 24 Years	613	534
25 - 34 Years	899	698
35 - 44 Years	1170	759
45 - 54 Years	1203	698
55 - 64 Years	1072	570
65 - 69 Years	899	422
70 Years & Over	791	340

TABLE 3  
AVERAGE NUMBER OF WEEKS OF EMPLOYMENT BY AGE GROUPS

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



TABLE 4

## AVERAGE YEARLY EARNINGS OF MALE WORKERS BY OCCUPATIONAL GROUPS

	Earnings	Occupations
	\$	
1.	480	Labourers (not Agricultural, Mining
2.	638	Coal Miners (or Logging)
3.	660	Longshoremens & Stevedores
4.	677	Machine Operators (Boots & Shoes)
5.	691	Cooks
6.	718	Waiters & Dining Car Stewards
7.	749	Teamsters, Draymen & Carriage Drivers
8.	756	Moulders, Core-makers & Casters
9.	761	Painters, Decorators & Glaziers
10.	771	Plasterers & Lathers
11.	789	Carpenters
12.	830	Brick & Stone Masons
13.	846	Truck Drivers
14.	849	Chauffeurs & Bus Drivers
15.	858	Tailors
16.	858	Cabinet Makers
17.	872	Barbers & Hair Dressers
18.	896	Butchers, Slaughterers & Trimmers
19.	912	Bakers
20.	913	Blacksmiths, Hammermen & Forgemens
21.	928	Paper-machine Operators (not Paper-makers)
22.	934	Sheet Metal Workers & Tinsmiths
23.	948	Mechanics
24.	1002	Shippers
25.	1017	Plumbers, Steam & Gas Fitters
26.	1024	Boiler-makers, Platers & Riveters
27.	1044	Machinists
28.	1048	Salesmen (Carvers
29.	1059	Stonecutters & Dressers, Monumental
30.	1159	Office Clerks
31.	1183	Stationary Enginemen
32.	1222	Electricians & Wiremen
33.	1232	Bookkeepers & Cashiers
34.	1297	Locomotive Firemen
35.	1325	Street Car Conductors & Motormen
36.	1460	Compositors & Printers
37.	1563	Telegraph Operators
38.	1576	School Teachers
39.	2136	Steam Rail Conductors
40.	2198	Locomotive Engineers



## AVERAGE NUMBER OF WEEKS OF EMPLOYMENT OF MALE WORKERS BY OCCUPATIONS

No. of Weeks	Occupations
1.	Plasterers & Lathers
2.	Coal Miners
3.	Brick & Stone Masons
4.	Longshoremen & Stevedores
5.	Labourers
6.	Moulders, Coremakers & Casters
7.	Carpenters
8.	Painters, Decorators & Glaziers
9.	Tailors
10.	Sheetmetal Workers & Tinsmiths
11.	Plumbers, Steamfitters & Gasfitters
12.	Boilermakers, Platers & Riveters
13.	Cooks
14.	Blacksmiths, Hammermen & Forgemen
15.	Machine Operators (Boots & Shoes)
16.	Stone Cutters & Dressers; Monumental Carvers
17.	Cabinet & Furniture Makers
18.	Locomotive Firemen
19.	Machinists
20.	Mechanics
21.	Teamsters, Draymen & Carriage Drivers
22.	Machine Operators in Paper
23.	Truck Drivers
24.	Stationary Enginemen
25.	Chauffeurs & Bus Drivers
26.	Waiters, Dining Car Stewards
27.	Electricians & Wiremen
28.	Butchers, Slaughterers & Trimmers
29.	Bakers
30.	Barbers & Hairdressers
31.	Shippers
32.	Salesmen
33.	Compositors & Printers
34.	Telegraph Operators
35.	Bookkeepers & Cashiers
36.	Locomotive Engineers
37.	Office Clerks
38.	Street Car Conductors & Motormen
39.	Steam Railway Conductors
40.	School Teachers



## NUMERICAL IMPORTANCE OF OCCUPATIONS FOR MALE WORKERS

No. of Workers	Occupations
406,974	Labourers ( not Agricultural, mining or logging)
93,284	Salesmen
88,887	Office Clerks
66,989	Carpenters
38,229	Mechanics
37,850	Truck Drivers
29,785	Machinists
28,587	Bookkeepers
25,279	Painters, Decorators & Glaziers
18,160	Electricians & Wiremen
17,453	Teamsters & Draymen
17,126	Miners (Coal)
16,287	Stationary Enginemen
16,164	Cooks
15,433	School Teachers
14,889	Shippers
12,991	Plumbers, Steam & Gas Fitters
11,942	Chauffeurs & Bus Drivers
10,334	Waiters & Dining Car Stewards
10,121	Compositors & Printers
9,423	Brick & Stone Masons
9,179	Blacksmiths, Hammermen & Forgemen
9,057	Butchers, Slaughterers & Trimmers
8,606	Street Car Conductors & Motormen
8,075	Bakers
7,830	Locomotive Engineers
7,713	Moulders, Coremakers & Casters
6,680	Tailors
6,141	Barbers & Hairdressers
5,932	Telegraph Operators
5,854	Locomotive Firemen
5,740	Machine Operators (Boots & Shoes)
5,502	Sheet Metal Workers & Tinsmiths
4,851	Plasterers & Lathers
4,723	Longshoremen & Stevedores
4,619	Steam Rail Conductors
4,604	Boilermakers, Platers & Riveters
3,077	Cabinet & Furniture Makers
2,618	Stone Cutters, Dressers & Monumental Carvers
2,271	Machine Operators in Pulp & Paper



TABLE 7

## NUMERICAL IMPORTANCE OF OCCUPATIONS FOR FEMALE WORKERS

No. of Workers	Occupations
121,176	Domestic Servants
63,686	Stenographers & Typists
52,889	School Teachers
41,781	Saleswomen
28,223	Office Clerks
20,866	Bookkeepers
19,577	Matrons & Housekeepers
19,432	Sewers & Sewing Machinists
14,118	Telephone Operators
12,323	Waitresses
9,359	Graduate Nurses
7,556	Packers, Wrappers & Labellers
3,761	Dressmakers
3,505	Charworkers & Cleaners
3,234	Machine Operators (Boots & Shoes)
3,222	Weavers
3,036	Hairdressers & Manicurists
2,544	Spinners
2,178	Knitters & Hosiery Frame Operators
1,987	Ironers & Pressers
1,949	Milliners
1,819	Paper Box, Bag & Envelope Makers
1,422	Confectionary & Biscuit Makers
1,168	Furriers
1,107	Bookbinders



TABLE 8

## AVERAGE YEARLY EARNINGS OF FEMALE WORKERS BY OCCUPATIONAL GROUPS

	Earnings	Groups
1.	\$ 252	Domestic Servants
2.	328	Matrons & housekeepers
3.	375	Charworkers & Cleaners
4.	378	Waitresses
5.	421	Spinners
6.	424	Packers, Wrappers & Labellers
7.	435	Machine Operators (Boots & Shoes)
8.	437	Confectionary & Biscuit Makers
9.	447	Sewers & Sewing Machinists of shop & Factory
10.	460	Paper Box, Bag & Envelope Makers
11.	466	Ironers & Pressers
12.	468	Knitters & Hosiery Frame Tenders
13.	485	Weavers
14.	532	Dressmakers
15.	534	Saleswomen
16.	547	Furriers, Cutters, Dressers & Sewers
17.	583	Milliners
18.	605	Bookbinders
19.	625	Hairdressers & Manicurists
20.	682	Telephone Operators
21.	831	Stenographers & Typists
22.	832	Office Clerks
23.	841	Bookkeepers & Cashiers
24.	914	Graduate Nurses
25.	918	School Teachers



AVERAGE WEEKS OF EMPLOYMENT OF FEMALE WORKERS  
BY OCCUPATIONAL GROUPS

	Weeks	Groups
1.	39.77	Furriers
2.	41.15	Spinners
3.	41.30	Sewers & Sewing Machinists of shop & Factory
4.	41.70	Milliners
5.	42.24	Confectionary & Biscuit Workers
6.	42.27	Machine Operators (Boots & Shoes)
7.	42.30	Knitters & Hosiery Frame Tenders
8.	42.39	Packers, Wrappers & Labellers
9.	43.50	Paper Box, Bag & Envelope Makers
10.	43.51	Weavers
11.	43.90	Ironers & Pressers
12.	44.00	Bookbinders
13.	44.02	Dressmakers
14.	44.14	Waitresses
15.	44.92	Charworkers & Cleaners
16.	45.74	Saleswomen
17.	45.81	Hairdressers & Manicurists
18.	46.83	Domestic Servants
19.	47.13	Graduate Nurses
20.	47.59	Stenographers & Typists
21.	48.31	Matrons & Housekeepers
22.	48.60	Bookkeepers & Cashiers
23.	48.80	Telephone Operators
24.	49.31	Office Clerks
25.	50.08	School Teachers



TABLE 10

## AVERAGE YEARLY EARNINGS OF MALE WORKERS BY INDUSTRIAL GROUPS

	Earnings	Industry
1.	\$ 319	Agriculture
2.	326	Unspecified
3.	486	Forestry, Fisheries & Trapping
4.	709	Construction, Carpentry & Plumbing
5.	774	Personal Service
6.	809	Custom & Repair
7.	903	Mining, Quarrying, Oil & Salt Wells
8.	910	Animal Products
9.	927	All Industries
10.	941	Textile Products (Printing)
11.	1000	Wood & Paper Products - (Publishing)
12.	1026	Iron & Its Products (Engraving)
13.	1038	Manufacturing
14.	1043	Retail Trade
15.	1070	Recreational Service
16.	1075	Vegetable Products (10 Persons)
17.	1094	Industries Employing less than
18.	1120	Miscellaneous Manufacturing
19.	1127	Non Metal Mineral Products
20.	1150	Trade (not Postal)
21.	1171	Transportation & Communication
22.	1176	Service
23.	1204	Municipal Administration
24.	1245	Non Ferrous Metal Products
25.	1374	Chemical & Allied Products
26.	1414	Professional Service
27.	1489	Electric Light & Power
28.	1550	Wholesale Trade
29.	1585	Federal & Provincial Administration
30.	1730	Finance
31.	1736	Business Service
32.	2990	Other Public Administration



TABLE 11

AVERAGE WEEKS OF EMPLOYMENT OF MALE WORKERS  
BY INDUSTRIAL GROUPS

No. of Weeks	Groups
1.	UNSPECIFIED.
2.	Construction
3.	Forestry
4.	Mining
5.	Iron & Its Products
6.	All Industries
7.	Custom & Repair
8.	Manufacturing
9.	Textile Products
10.	Paper Products
11.	Recreational Service
12.	Animal Products
13.	Non Metallic Mineral Products
14.	Miscellaneous Manufacturing
15.	Municipal Administration
16.	Agriculture (than 10 Persons)
17.	All Industries Employing less'
18.	Transportation & Communication
19.	Personal Service
20.	Non Ferrous Metals
21.	Vegetable Products
22.	Chemical & Allied Products
23.	Retail Trade
24.	Service
25.	Trade
26.	Business Service
27.	Electric Light & Power
28.	Wholesale Trade
29.	Finance
30.	Professional
31.	Federal & Provincial Administration
32.	Other Public Administration



TABLE 12

## AVERAGE YEARLY EARNINGS OF FEMALE WORKERS BY INDUSTRIAL GROUPS

	Earnings	Industry
1.	\$ 275	Agriculture
2.	292	Personal Service
3.	444	Forestry, Fishing & Trapping
4.	453	Animal Products
5.	479	Textile Products
6.	496	Vegetable Products
7.	497	Custom & Repair
8.	498	Unspecified
9.	502	Service
10.	542	Manufacturing
11.	560	All Industries
12.	577	Recreational Service
13.	605	Retail Trade
14.	621	Miscellaneous Products
15.	630	Trade
16.	669	Wood & Paper Products - (Printing Publishing)
17.	675	Non Ferrous Metal Products (Engraving Industries (Less than 10 Persons))
18.	682	Chemical & Allied Products
19.	684	Construction (Carpentry, Plumbing Iron & Its Products (Painting))
20.	732	Professional Service
21.	743	Non Metallic Mineral Products
22.	776	Transportation & Communication
23.	785	Business Service
24.	800	Mining, Quarrying, Oil & Salt Wells
25.	804	Wholesale
26.	820	Finance
27.	826	Municipal Administration
28.	879	Electric Light & Power
29.	913	Federal & Provincial Administration
30.	929	Other Public Administration
31.	946	
32.	1153	



TABLE 13

AVERAGE WEEKS OF EMPLOYMENT OF FEMALE WORKERS  
BY INDUSTRIAL GROUPS

No. of Weeks	Groups
1.	Unspecified
2.	Forestry, Fisheries & Trapping
3.	Textile Products
4.	Animal Products
5.	Vegetable Products
6.	Manufacturing
7.	Agriculture
8.	Mining, Quarrying, Oil & Salt Wells
9.	Recreational Service
10.	Construction
11.	Custom & Repair
12.	Miscellaneous Manufacturing
13.	Non Ferrous Metal Products
14.	Iron & Its Products
15.	Wood & Paper Products
16.	Non Metallic Mineral Products
17.	Retail Trade
18.	Trade
19.	Personal Service
20.	Business Service
21.	All Industries (10 Persons
22.	Industries Employing Less Than
23.	Chemical & Allied Products
24.	Wholesale Trade
25.	Service
26.	Municipal Administration
27.	Transportation & Communication
28.	Finance
29.	Professional Service
30.	Federal & Provincial Administration
31.	Electric Light & Power
32.	Other Public Administration



## CHANGING IMPORTANCE OF INDUSTRIES 1901 - 1931

## MALES

Industry	1901	1911	1921	1931
Agriculture	707,924	917,848	1,023,706	197,204
Construction	213,264	245,990	284,679	215,089
Forestry	43,961	77,448	69,049	57,462
Mining	28,646	62,706	50,860	68,507
Manufactures	213,956	392,781	449,348	495,533
Trade	107,172	240,903	218,342	203,683
Domestic Service	52,473	75,133	77,783	68,020
Transportation	79,647	210,692	246,947	260,200
Professions Public Administration	44,899	62,781	103,479	63,675
Other	16,414	72,531	81,959	101,125
	36,076	56,486	77,494	212,754

## FEMALES

Industry	1901	1911	1921	1931
Agriculture	8,936	15,887	17,912	1,800
Construction	43	211		1,748
Forestry	28	278	58	306
Mining	4	61	203	321
Manufactures	69,941	100,435	106,410	108,860
Trade	11,775	28,390	43,383	75,906
Domestic Service	101,475	137,005	134,632	170,905
Transportation	1,109	6,852	21,145	23,218
Professions Public Administration	38,320	57,781	118,670	103,197
Other	892	4,073	12,582	15,380
	5,387	13,794	34,528	19,718



## CHAPTER 2

Let us now turn to the census of earnings, collected in the census of 1931. The average yearly earnings are classified by age groups on Table 2, Chart 1. It is interesting to note that women reach their highest earning power between the ages thirty-five to forty-four. Men do not reach their best earning power until the older age group, forty-five to fifty-four, but likely in the younger years of that group.

Average weekly employment, based on the same classification, is shown on Table 3, Chart 2. As can be seen, employment is much more constant for women than for men. This results from the employment of males in highly seasonal occupations. Women reach their steadiest employment between the ages twenty-five to thirty-four, with the exception of the group after seventy years. The decline in employment from about twenty-eight to sixty-nine years is very gradual, with a variation of little more than one week. The decline may be explained in that the older help feel inclined to have, and are allowed, more time off. One might note, that female labour gets its best average employment ten years before they get their best average pay.

Men have their best average employment between thirty-five and forty-four years of age, possibly late in this group. They reach their height in this regard much later than women, partly because men take more time in selecting a permanent position than women. Employment for men falls rapidly after forty-four years of age; much more rapidly than it does for women. This shows that older men find it harder to get and keep employment than women do



in later years. The phenomenon is curious, that at each extreme of the age groups, average male employment is considerably increased. This is due to the nature of the work done, but unfortunately, there is no classification for occupations, separating those years to prove it: for example, boys leave the blind alley jobs between seventeen and nineteen to find better positions, and old men are switched from regular positions to watchmen's jobs, etc.

On chart 3, table 4, is the relative position of the various trades in the hierarchy of labour, to which average earnings are the key. They range up from those obtained by casual labour, \$480. per year. This group being so large and getting such a low income is of major importance. As will be seen, seasonality of employment is very high in Canada. It has a severe retarding effect on earnings, and affects most occupations. Common labour, although not including agricultural, mining or logging, is among the worst in this regard. The next two occupations, coal miners and longshoremen, have even lower average employment, much to the detriment of wages in these occupations. The numerical importance of these trades is by no means so great as casual labour. The rate of pay for the last two occupations is about the same. The difference in earnings is totally due to better average employment for longshoremen. It is interesting to note that the Administration at Washington is now making an attempt to reduce fluctuations in employment for longshoremen.

Since boot machine operators get much better average employment than the above occupations, we see that their earnings were low due to their lower rate of pay. The seasonal effect, although present, was less marked.



The group, cooks and waiters, in all probability, got more than the nominal wages recorded here. Their employer, willingly or otherwise, supplied their meals. Waiters also depend on tips to supplement their earnings. An adequate allowance for these items would put these occupations higher in the scale. Teamsters ranked seventh. Employment in this occupation was fairly steady, but the pay low. Moulders although they are better paid by rate, were so seriously affected, in 1931, by unemployment, that the average earnings were not very high.

The groups, 9 to 12, are the construction workers. Due to our rigorous winter, these workers are unemployed much of their time. Carpenters and painters are slightly better off, since they are able to do indoor work when the general construction season is off. Income does not conform at all closely with wage rates in these occupations. Winter employment for these workers, of which there is so large a number, as 106,000, is a major problem of Canadian industry.

Truck drivers and chauffeurs maintain their position in the wage scale by steady employment. Tailors and cabinet makers have now seen much of their skill, replaced by the machine. At one time they stood high in the labour scale, but machine production has greatly reduced, both the need for their skill, and the price to be paid for it. Earnings and employment for barbers, butchers and bakers are much the same. Seasonality in these trades would be very low; therefore, we must consider their average employment of less than 45 weeks per year, either as the natural state in these occupations, or as the result of the depression in 1931.



It appears that seasonality of employment has much to do with wages for blacksmiths, paper machine operators and tinsmiths. Paper operators, no doubt, follow the fluctuations experienced in logging and sawmilling. Tinsmiths would get a great deal of their employment from construction, and would thus show a rather low average employment. Mechanics and machinists must have been severely cut in employment in 1931. It is incredible that little more than 40 weeks should be normal employment in such occupations. If that is so, it is of vital importance to a large number of men. Shippers obtain high average employment and through this, maintain a high position in the wage scale. Plumbers and boilermakers had poor employment which reduced their pay. Plumbers are among those affected by the seasonality of construction.

There is no doubt, that the highest earnings have been maintained by union rules and influence. They are composed of trades and occupations that require skill and training. With the exceptions office workers and school teachers, all are unionized in the highest 11 groups. The only odd thing to be noted, is the rather light employment recorded for locomotive firemen. This, I am informed, is also due to trade union rules. The scale is roughly proportional to the demands made on the individual regarding skill, training, intelligence, personality and appearance. Construction workers must be skilled; school teachers must be trained; salesmen must have personality and dress well, etc..

A comprehensive view of the degree of seasonality by occupations and the affect of the depression in 1931 on them, can be had from chart 4, table 5. As can easily be seen, those employed in the construction trades have the highest seasonal employment. Coal



miners, longshoremen, labourers and tailers are also highly seasonal for well known reasons. Moulders and boiler-makers and others in the 39-40 week average, may be said to have already felt the depression. Apparently 40 weeks of employment per year was normal for some trades in 1931. It seems likely, however, that in high times the trades obtaining between 40-44 weeks per year would average above that level. From these considerations, it is clear, that the Canadian winter forces Canada to be very interested in any scheme for the relief of seasonal employment.

From this census of occupations, numerical verification of the oft referred to, advanced state of our civilization may be obtained. Large numbers of office workers and men to fix machines prove the point. The size of the sales promotion class also points to the necessity of production leading demand. By far the largest number is employed as unskilled labour. Although there are no comparative figures to solve the question, "is the proportion of unskilled to skilled labour rising?", it seems logical that as machine production advances, replacing skilled labour, that the proportion should be higher. The existing proportion of 4 to 1 is very high. The predominance of office workers, school teachers and saleswomen also shows the same trend in statistics for women.

The statistics of earnings and employment by occupations for female workers are tabulated on Chart 7 and 8. The four lowest grades of earnings are those "in service". The equivalent amount of remuneration to add for free board and lodging, is impossible to calculate. Suffice it to say, that with an allowance of \$150 for those items, the earnings for this grade of labour would stand much further up the scale.



Earnings seem to group themselves at certain levels. This may be a conscious or unconscious demarkation of grades of labour, within the class. One of the most pronounced levels is women tending machines. Their earnings cluster around \$450 per year. People are accustomed then to class certain types of labour together; like machine operating and the earnings of the class will vary around what is considered normal. Custom then is a strong factor in wage determination.

The groups earning between \$530-620 have a certain personal qualification, not inherent in all people. A dressmaker has skill that takes time and personal expense to acquire. Saleswomen must be pleasant in personality and neat in "get-up". Furriers are very highly skilled and their rate of pay is higher than in any group of female labour. Being the lowest group in average employment, due to seasonal demand, their earnings are far from proportional to their rates pay. In millinery, skill and taste are important. Employment fluctuates in these occupations due to climate, style and consumers' whims, resulting in depressed average earnings. Bookbinders and hair-dressers are skilled workers. In the latter occupation, a pleasant personality is important in raising average earnings. The occupation, as telephone operator, was always considered a lucrative position but the importance of the occupation is declining numerically, on account of the installation of automatic exchanges. Earnings are comparatively high since employment is very steady.

The next level is composed of three groups; stenographers, office clerks and book-keepers, and may well be treated as one occupation. Both their earnings and employment are much the same. These occupations require education, training and neatness, so their



earnings must be proportionately high.

Earnings for nurses and school teachers are highest since they have to go through the longest period of training. The number of positions open in these occupations is known and they are usually filled by competitive selection. Employment for nurses is more occasional than for school teachers, resulting in lower average earnings in the former.

The employment for women does not show nearly so high a seasonality as men experience. Furriers are worst off as regards seasonality. Their trade is almost solely dependent upon winter clothing, the demand for which, covers only a short period of time. Fluctuations in style and seasonal clothing demand are the cause of short time in the cloth producing trades and clothing occupations. In the above trades, seasonality of employment plays a part, but not much in other occupations in which women are employed.

That confectionery workers are employed a little over 42 weeks per year, arises from the fact that a confection usually has a fairly steady demand, or that when one goes out, another comes in. For instance, the demand for ice-cream, though still not uniform throughout the year, does not vary like it once did. Demand for cake and candy, rising in winter, will take up the slackening in the frozen confections.

Employment for packers, wrappers and labellers very much depends upon the state of general business, which in 1931 was rapidly declining. This same condition affected those who made merchandise containers. Employment in these groups could be slightly seasonal and as shown, much dependent upon the economic cycle.

With the exception of dress makers, whose employment would be seasonal, other occupations as yet unconsidered, were in relatively



normal employment. The difference between a charworker and a domestic servant would mostly be found in average employment, rather than work done. Any person on occasional domestic service would be classed as charworker. In this way, both average earnings and employment are lowered for this group. Those occupations with good employment were not on short time at all at that period of the depression. Average employment so high as 47 weeks per year as recorded by these occupations, is entirely satisfactory, and may be regarded as full employment.

The great range covered by earnings leads to the conclusion that mobility of labour is very low. Mobility, even by generations, must be slow; were it at all effective, these occupations, which have held their ascendancy for some time, would not still, be so much better paid than others. The desire of all men to advance is apparently not strongly backed by the will to do so. It is not unreasonable to say that the earnings obtained from a certain occupation is one of the least important factors determining an average man's economic activity. Capacity, opportunity and desire are more influential. However, in the small sector of wage earners that are determined to advance, earnings are the driving motive.

There is a high degree of correlation between intelligence and occupation. Tests taken by the U. S. Army conform very closely to the position of the occupation in our earning scale. In spite of the imperfections in intelligence tests, (and these in particular, would be biased toward a specific type of knowledge and ability) such close correlation is not an accident.

The highest paid occupations are, in the long term view, the latest in appearing and becoming numerically important. They are also the most intelligent, which may have resulted from an employer



paying for superior capacity or training, or ability by the most intelligent wage earners to see their best advantage and to use it. These premises lead to the conclusion that the most intelligent wage earners are the ones that give "mobility" to labour.

Earnings of wage earners by industries are important, since the value of an industry to a country is the good it does for the people, usually in the form of wages. The earnings for male workers by industrial groups, are shown on Chart 9, Table 10, and employment for the same on Table 11, Chart 10. The position of agriculture, regarding earnings, is not an accurate value of the industry to the country. Earnings are low, due to the exceptionally depressed state of agriculture the world over. To nominal wages must be added, the return to an agricultural worker in board and lodging and to farmers in consumable produce. The standard of living for farmers is, for the majority, simple or not so luxurious, as urban people attempt to maintain. It is perhaps, easier to be independent, as a farmer, than as a city worker.

Forestry, fishing and trapping are relatively less important than formerly. The earnings were low, in part, from the depressed state of industry in 1931, which was accentuated in forestry. The seasonality of this industry is far more greatly marked than in agriculture. The standard of living in forestry would be the lowest of any industry, even lower than agriculture, since it would be unlikely that workers in this industry would be able to supplement their earnings with produce.

The construction industry was also low in earnings, due to extreme seasonality and the coming depression; but if earnings were so low in 1930-31, what depths did they reach in 1932-33? The indus-



try is not as prosperous as it is sometimes believed.

Average earnings in mining were just below the average for all industry. Mining in that year, was not as badly off as were the industries mentioned above. The gold section of the industry was on the way to booming. The silvers at that time were depressed along with the base metals. Employment was poor, resulting, partly, from seasonality in the industry, but mostly from the depression.

Earnings should be highest in industries in which the country has an advantage. Our best advantage in Canada is derived from the natural resources, but the exploitation of such does not give the best earnings. This cannot at all be attributed to our position in international markets. Much of it must be due to shelter given to other industries.

The weighted average for all industry was \$927 per year. It is the industries that enter most into foreign trade that are below the average. In manufacturing, earnings are \$1038. In only the animal products branch of manufacturing, did its earnings fall below the average for all industry. These earnings are comparatively high and are maintained by the tariff at the expense of the industries that get lower earnings. There are in this class, nearly half a million workers. The effects of the depression had not, at that time, made themselves so clear in the manufacturing industries, as in the product<sup>1007</sup> of primary goods. The fall of manufacturing prices was not complete until 1933. These figures are not strictly comparable in that, the depression hit one industry harder than another, and not all at the same time. The movement of retail prices shows an inertia much greater than prices on an organized market. Some industries were in the trough of depression in 1931, while others were not at the lowest ebb until 1933.



Earnings in trade were better than those in manufacture by \$112. That the profit in this industry is raised by protection is certain and acts to the detriment of unprotected industry. In a country so wide and with a sparse population like our own, the services performed by this industry are important. Earnings in transport services are also relatively high; they are supported to a great extent, by unionism. This factor is not wholly responsible, since such a service is of primary importance in an extensive country like our own, when there is nothing to compete with it.

The classification "service" is so inclusive that it is futile to generalize. In the group, are included services with earnings (fees) regulated by custom, such as the professions, and others, such as recreational stars, the value of which could only be measured by popularity and demand. Under this classification, come the public services, the numerical importance of which has enjoyed the greatest percentage advance of all industries. The earnings in federal and provincial administration are much higher than in municipal. This is mostly due to the greater need of men with special training for state departments, than in municipal offices.

The seasonality of employment by industries is apparent from Chart 10. Construction is the lowest in average employment and forestry ranks next. These are not only highly seasonal, but the depression was having great repercussion in those industries. In mining, also, the depression was severe. The average for "all industry" at 41 weeks per year, is rather heavy unemployment. This is equivalent to a little more than 20 per cent of the workers time being unproductive. Although the worker is not to be expected to work all the time, he would not want one-fifth of his time unemployed, until he had reached a comfortable standard of living and secure independence.



In manufacturing, in which there is a fair chance of reducing seasonal unemployment, the figure was so low as 41.80 weeks per year, partly due to the depression. Although one would expect high seasonal fluctuations in agriculture, the industry is not badly off. The average of  $43\frac{1}{2}$  weeks per year in this industry, is very encouraging to our hope of reducing seasonal unemployment. In the "services" and finance employment is the steadiest; since they are on a salary basis, short periods of unemployment are unrecorded. The view with regard to seasonal fluctuations by industries, does not seem so bad as is popularly believed. A few industries **drag** down the average: (co-ordination of these should not be insurmountable). From this, can be seen the importance of the seasonal factor in Canadian industry. It is in the interests of all, that it be reduced.

Earnings of female workers, by groups of industries are shown on Chart 11, table 12. In some of these industries, namely agriculture, construction, forestry and mining, the employment of women is of slight importance. In fact, women in these industries, would almost entirely be at office work.

Women are most heavily interested in "personal service". Earnings in this industry, as discussed in occupations, are only nominal and varying amounts for board and lodging as well as clothing must be added to give a clear account of real wages. This group comprises more than one quarter of all employed female workers. Their standard of living is probably as high as any grade, earning between \$600-700 per year. Women are also much employed in manufacturing industries. The average income from manufacturing is \$18 below the average for "all industry" while the average earnings for men are above the average for all industry, showing the exploitation of female labour in that industry.



The average female earnings in all industry were \$560. That was fair pay when one considers that, as a rule, it only had to keep one person, being a supplement to the income of a household.

Earnings in "trade" were important to a large number of women. Their earnings were relatively high, and roughly proportional to the demands of clothing and appearance required of them. A good percentage of women are classed in industry as "professional". In occupational groupings, they probably include school-teachers and many office workers, plus a few engaged in those professions, mostly followed by men. The standard of living of these women would be high since employment is steady and school-teachers are covered by superannuation schemes.

The professions mentioned above are commonly believed to be the best paying. This, however, is not the case. There are many small industries in which women are better paid. The most conspicuously important of these are transportation and civil service. In "electric light and power" women in substantial numbers, get high pay. The women in these industries were engaged in nothing peculiar to those industries, but mostly as office workers who were able, because of the position of their industry, to secure higher pay than obtained in others. Earnings of women in many cases are merely a supplement to the income of a household. But any of those industries, returning an average of less than \$10 per week, causes those workers dependent wholly on that wage to be at a serious disadvantage, a situation not for the national good.

There are very few industries, employing much female labour, that are seriously affected by the seasonality of industry. Average weekly employment of women, shown on Chart 12, Table 13,



is seen to have been very high. Considering that these figures are for a year, in which one could expect short time, employment was surprisingly steady. In the manufacture of vegetable and animal products, average employment was nearly 43 weeks per year. These industries, as one would expect, are seasonal and are important because they use a large part of the female working force.

The textile trade is important to many women. This industry has a high seasonality, and in 1931 the industry was deep in the depression. Clothes are apparently one of the first things people stop buying when economizing. The textiles, animal and vegetable products have the lowest average employment of all industries, and because of the large number they employ, they drag down the average employment for manufacturing to 43.2 weeks per year. Such conditions are undesirable, and will be hard to eliminate. However, it may be observed that the main problem in raising real wages for women, does not arise from fluctuating employment. Better wage rates, relatively to prices, will have to be the aim.



## CHAPTER 3

## THE COST OF LIVING, JUNE 1, 1930 - MAY 31, 1931

For a better appreciation of real wages enjoyed in Canada, and the standard of living maintained here, we have attempted this section. We admit, that one should not draw highly specific conclusions from estimates of this type, but they do aid in a general understanding of the position of the wage earners.

In calculating budgets for 1930 - 1931 we found, that dieticians estimated that food for a family of five would not cost less than \$8.50 per week. They considered this ample quantity and sufficient variety for an active family. This figure is rather high for the average Canadian income; an allowance of \$8.00 would be more representative. For a minimum food cost we take a similar expenditure by the relief department. This office allowed only \$5.00 per week in summer, and ten percent extra in winter, plus milk and bread tickets. We conclude that it would take skill and economy to feed a family on \$5.00 per week. It was, no doubt, beyond the capacity of the average woman with that income, to make it go far enough. There is also to be considered, that a man at work, needs more food than if he were unemployed. For these reasons, it is clear that \$5.00 per week was the absolute minimum, and that efficiency and good health probably required expenditure close to \$8.50 per week.

The relief department allowed about \$3.00 per month for light and gas, and one-half ton of coke for every eighteen days of cold weather. These costs bring the fuel bill to around \$100. per year. For greater liberality, and expense in



heating a larger house, we charge fuel in the standard budget at \$125. per annum.

Rents usually take about 20% of the smaller incomes. There were a very limited number of houses of doubtful repair, that could be had at \$15. per month. It is likely that rent for an average house was above \$20. per month and in a new suburb above \$25.00

The clothing item in the cost of living is one of the least certain. The demand for clothing varies widely. It would be quite easy for a family of five to spend \$200. a year on clothes without extravagance. On \$100, the family could be clothed but poorly, and much false economy would result. In the average budget, part of the money for extras might be used to supplement clothing requirements.

In any practical budget, a certain percentage for extras such as insurance, savings, religion, amusements, luxuries, etc., must be included. The higher the income, the larger is the percentage allotted for this type of expenditure. In the standard budget we have allowed 20% for extras, on the average budget 10%, and none at all on the absolute minimum.

Some characteristics of these budgets may be noted here. We consider that a family would not be absolutely self-supporting on anything less than the standard budget, except by unusual frugality. There should be in every budget an allowance for human depreciation, an old age reserve. Such an allowance would not be available to any sufficient degree, in anything lower than the standard budget, since it is characteristic of the human race to live fairly well, before putting anything aside for future use.



There should also be an emergency fund; unexpected things will happen and the family standard should not be depressed with every ill-quirk of fortune. These things sound rather ideal, and yet, they are part of the family needs. It is probable that they will be provided by the state in the near future, i.e. old age pensions preferably on a non-compassionate basis, unemployment insurance and state medicine, etc. Until such measures are in force, the obligations for such remain on the family budget.

#### REPRESENTATIVE BUDGETS

	Standard	Average	Minimum
Food	\$450	\$400	\$275
Fuel	\$125	\$100	\$100
Rent	\$300	\$240	\$180
Clothing	\$200	\$115	\$100
Extras	<u>\$185</u>	<u>\$ 75</u>	<u>---</u>
	\$1260	\$ 930	\$ 655

The average budget of \$930 is an estimate of the way the average Canadian income would best be spent. The oncome in real wages would be entirely sufficient, if provisions for accidents and old age were added to it. This, however, was not the case in 1931. Our conclusion then, is that half the people in Canada are not "absolutely self-supporting." These people were apparently self-supporting, but those services mentioned above were lacking and many were to know it too well in the not distant future. If those services were provided, even in part, out of the average budget, it was through stringency in some major line of expenditure, which could not be considered average and which would probably react to the detriment of the family in some other way. If the average family income were spent as we have outlined



the family could <sup>live</sup> comfortably, as long as the income continued and no misfortune strained it. If real wages could be raised by about \$70 on the average and the government were to use about \$100 out of each family income for pensions, unemployment and health insurance, real wages would then be eminently satisfactory. This meant raising real wages for wage-earners as a class, close to 10 percent in 1931. It probably would work out best if the state instituted the insurance and pensions to make sure that all were covered. The necessary rise in real wages may be accomplished by raising the efficiency of production and distribution, or by increasing the relative share of national dividend going to labour. It is not improbable that both will happen.

The minimum budget would barely keep a family without aid. People in the lower income classes often get small aids, such as clothing. No one would expect a family to be satisfied under such conditions. The standard would be low and discouraging. The least set-back would put the family in debt. On any income near this level, the family would be better off "on relief" which is, somewhat, of a negative incentive to work.

When we observe earnings classified by age groups (Table 11) in the light of these costs, the results are noteworthy. In the younger years, up to 20, earnings would allow no extravagance, especially if board were demanded. Between 20-24 years, 30 percent of the men being married, means that nearly 100,000 young married couples are living in most cases, we may suppose, on better than \$613 per year. Whether the family boarded or lived



by themselves, little advancement could be expected. In the age group, 25-34, there were approximately 365,000 married men supporting their families on \$809 for the year. To many of these families, life must have been uncertain and rather discouraging, and the lowest families in the group must have been in need.

The average income to earners in the age group, 35-44, when, we may assume that the family expenditures are at their height, was \$1170 per year. Saving under these conditions would still be difficult but the standard of living reasonably high. There were between the ages 45-54, 315,000 males, nearly all of whom were married, obtaining \$1200 per year. It is likely that when a man has reached this age, his family is commencing to contribute, at least in a small way, to the family coffers. This is the period when the average family has its greatest affluence; it continues until the children set up households for themselves. The standard of living certainly rises and there should be some income for investment.

When the children marry, the cost of living as a family unit goes down. But wages also drop very noticeably; the return to a man between 55-64 years of age was \$1072, a large part of which must have been taken up in living expenses which resist contraction. In some cases the fall in income was reimbursed by savings, owning a house, etc. These factors apply to the older age groups. From 65 years on, there would not be very many married people attempting to maintain separate households. An income such as received by the older groups would be liberal when not expected to maintain a home.



The most serious consideration from this table is with regard to the average. As we calculate it, a decent living cost nearly the full amount of the average income. People can, and have lived on much less, but in this age of plenty it should rightly be regarded with horror that many in our country should not have a comfortable living, even when at work. Not only that, but the number who are able to earn enough to keep themselves independent all their lives, is small.

A short review of occupational earnings, compared to these budgets may be enlightening. Labourers get an average of \$480 per year, and coal miners get \$638. These two classes get less by working than they would "on relief." These incomes were so low that aid must have been obtained in many cases. In these groups there were more than 420,000 wage earners. This raises a doubt of the hope, that the machine is raising the standard of living of common labour, relatively to the skilled trades.

It is almost incredible that in a year when the cost of living had fallen so, that real wages for some traditionally well-paid trades, were not good enough to support a family. The first seventeen groups of occupations on Table 4, obtained less than the average needed for a comfortable living. Some of these are not much better off than if they were on relief allowances. Included in these groups are nearly 300,000 wage-earners.

Of the rest only the last ten groups of occupations could be said to be making enough to be "always independent." Those earnings between \$927 and \$1200, composing another ten occupations are in various stages of self-support, (including old age). This condition is not too bad, however. It is much advanced over the



state of labour in earlier times and even over its state at the beginning of this century. Some people might console themselves with the phrase, "The poor we have always with us." It does not seem proper, however, that those who are working should not be able to procure enough of the superabundance created to live comfortably.

Half of the people in Canada were living in a very comfortable condition; the problem was to raise the other half. The depression of 1930-33 depressed the standard of living and real wages even lower than in 1931. Labour certainly sustained a heavy loss from the depression; whether it was a disproportionate part or not cannot be emphatically stated. But anyone viewing these figures with labour sympathy, would without doubt say that it was, since it is felt in physical as well as mental suffering.

There still remains to review earnings by industries on Table 8. Earnings in agriculture are so untrustworthy that we will not comment further than to say, that the standard of living never has been high and that earnings are highly subject to the state of world agriculture, which was bad in 1931.

Earnings are lowest in forestry, fisheries and trapping. They are below what any sane person would attempt to keep a family on. Forestry is important in Canada, because of the abundance of land that is useless for anything but forest. In any attempt to raise the average standard of living, this should be one of the first points attacked.

The construction industries had a low standard as a group. Personal service was probably better off than the earnings



recorded indicate. Customs and repair, mining and the manufacture of animal products are industries barely allowing their workers a comfortable standard of living.

Earnings in the manufacturing industries were enough to give a family a comfortable living, but hardly enough to keep the worker always independent. It would be possible for the worker to be independent by reducing his wants to the minimum; but such rarely happens.

On Table 8, the industries from trade to public administration gave their workers plenty to meet all the requirements of a good living. The relative position of these last industries according to earnings of wage-earners is curious. Transportation and communications, among the highest in occupational groups are superceded by many industries. The earnings of professional men were not as good as those employed on light and power, other services and the wholesale trades. Finance and business are very close together, but business was slightly more remunerative in 1931.



## SUMMARY OF CONCLUSIONS

1. Real wages for full-time workers have risen steadily from 1919 - 1932, by about 35 per cent.
2. Real wages reached their highest in 1928 - 1929.
3. Considering wage-earners as a class, real wages advanced about 15 per cent between 1919 - 1929.
4. During the depression of 1930 - 1934, the factor of unemployment became so important as to indicate a widening difference between the standard of living of those in steady employment and those on short-time or unemployed.
5. The depression caused wage-earners as a class to be little better off in 1932 than in 1919.
6. Science, by greatly reducing the cost of luxury commodities, is adding more to real wages than can be measured by the cost of living.
7. The building trades suffered the most of all groups from the depression up to 1932.
8. Employment for women is much more steady than for men.
9. There is a demarkation of grades of labour by earnings, which vary around a "normal" which appears to be dominated by custom.
10. Organized trades have raised their wages higher than unorganized.



11. Mobility of labour between trades is very low, suggesting that earnings are not the main determinant in choosing and remaining in, any one occupation.
12. The highest paid worker is more mobile than the lower paid; i.e. the greater the intelligence of the worker, the more ready he is to seek better paid employment.
13. Workers in the primary industries are paid less than those in the secondary, due in some measure to "invisible" items (i.e. board) but also, perhaps in larger measure, to the fact that they do not generally benefit from the protection of the tariff.
14. The workers in the primary industries and construction were much more seriously affected in the early years of the 1930 - 1933 depression than were the secondary.
15. While some form of unemployment insurance appears to be the only solution to the distress of the workers in Canada, the major problem is to be found in seasonality of industry.
16. The problem of women in industry is not in increasing employment but rather in raising wage rates.
17. The average income in Canada allows a comfortable standard of living. The state should take steps to appropriate any increase in real wages and use it



To reduce fluctuation in income and employment, through some system of contributory unemployment insurance.

- 18 . There were nearly half a million wage-earners not obtaining enough to maintain a family on, without aid.

These doleful conclusions were mostly due to the depression, and at the time of writing, conditions were not so bad. Just as wages rose rapidly after the depression of 1920, so we may expect wages to rise very rapidly in 1934-35.