

The Dominion-Provincial System of Employment Offices

When war appears, unemployment follows in its train; when war departs, unemployment carries in its place. Thus perhaps one might epitomise the economic history of war in its labour aspect for the last couple of centuries. Industry cannot change its job from the making of peace-time products to the manufacture of munitions and army equipment without laying off hands. When the old peace-time occupation has to be resumed, numbers of workers must be let out again, and unless *laissez-faire* is thrown to the winds and prompt action taken, a large proportion of the population must suffer hardship. It is significant that England's bill for outdoor relief in 1818, just one century ago, and three years after the Battle of Waterloo, was the largest per capita in her history.

The year of the opening of the Great War found Canada, like other countries, in the midst of a depression. Wages and prices were on the decline, and soup-kitchens and bread-lines were the order of the day in Canadian cities as well as in cities abroad. With the commencement of hostilities industry was for the moment paralyzed, but soon the activities of the recruiting sergeant took up much of the labour slack, and with the war orders came a veritable industrial revolution. On the munitions industry and the demand for Army equipment, on the acceleration in farming, mining and railroading, on the speeding-up of almost every line of activity, except our overdone building and construction industry, was established a war-time prosperity before which unemployment seemed but a horrid nightmare.

During the hard times of 1913-14 there was a very considerable demand, both in this country and in the United States, for the establishment of employment exchanges to promote the better organization of the labour market. Labour, it was said, should not be compelled to tramp about in search of jobs; machinery should be set up which would bring together the employer seeking help and the worker seeking employment in whatever part of the country they might be in, much the same way as the banking system has been established as an intermediary between lenders and borrowers. This agitation was based on the oversupply of labour, and the need for its being related to every available fraction of demand. When the world began to throw all its strength into the struggle against the Hun, and labour was no longer a drug on the market, but a prize to be discussed in relation to scientific management, labour turnover, and a dozen other efficiency ideas, employers began to call for the establishment of employment exchanges from the point of view of their assistance in organizing all the workers in an army of industry. Before this demand the United States has established the United States Employment Service, and Canada has set out to build up a Dominion-Provincial system of employment offices.

Now comes the armistice and the cessation of war orders, and the problem changes overnight from that of hunting for men to that of finding jobs. Some 350,000 or more soldiers will have to be re-employed, and the number of war-workers who will be squeezed out is estimated at a quarter of a million, half of this number being in Ontario, and perhaps one-fourth in Quebec. The West with its small manufacturing industry will have comparatively few war-workers to place, and in British Columbia, where perhaps most of the Western

war-workers have been employed, expansion in the ship-building and lumbering industries should do much to permit their rapid re-absorption. In the East, however, especially in Ontario and Quebec, we shall have a problem which will force our serious attention. True, we have been absorbing returned soldiers for two or three years, but this was comparatively easy, even in the case of those partially disabled, when the "Help Wanted" sign in large letters was nailed to every factory gate. The placement of soldiers will require more careful study now that industry is again on a peace footing.

Efforts to deal with the situation must follow more or less closely the following lines:—

1. The better organization of the labour market through the instrumentality of a system of employment exchanges organized on a national basis.

2. Prevention of the flooding of the labour market by some plan of demobilizing the troops according to the labour requirements of industry, by control of immigration, by advancing the school-leaving age.

3. Taking up the labour slack by land settlement schemes, by the adoption of short time rather than reduction of staff in industrial establishments, by the removal of the unfit from the labour market.

4. Increasing the absorptive power of industry by the securing of a proportion of the business that will arise out of reconstruction work in Europe and by Government orders.

5. Provision of "buffer employment" by the initiation of housing schemes, road-building, public works, and the concentration of the necessary expansion of public utilities in the emergency period.

6. Unemployment insurance to compensate for unavoidable unemployment.

The first step, the organization of a system of employment exchanges, has engaged the attention of the Department of Labour for some time, and at the last session, Parliament passed the Employment Offices Co-ordination Act, a measure introduced by the Hon. T. W. Crothers, then Minister of Labour. The Act imposes on the Minister of Labour the following duties:—

1. To aid and encourage the organization and co-ordination of employment offices, and to promote uniformity of methods among them.

2. To establish one or more clearing-houses for the interchange of information between employment offices concerning the transfer of labour and other matters.

3. To compile and distribute information received from employment offices and from other sources, regarding prevailing conditions of employment.

The Act grants to the provincial governments for the maintenance of employment offices \$50,000 in the year 1918-19, \$100,000 in the year 1919-20, and \$150,000 in each succeeding year.* A special vote has, however, been provided to meet the demobilization emergency, and the regular grant is likely to be increased. The monies are to be divided among the provinces in the proportion which their expenditure bears to the total of the expenditures of all the provinces for employment office maintenance work, but in no case may the province receive more than one-half the amount of its expenditure. The grants are also made conditional upon annual agreements between the Minister of Labour and the Government of the province. It is proposed to write into these agreements year after year the new standards in employment work.

The work of organizing a system of employment offices for Canada under the provisions of the Employment Offices Co-ordination Act, 1918, is now well in hand. As a result of recent conferences of provincial