

Mr. Chairman, I checked yesterday with D.B.S., and I would like to add that the total figures for 1960 are not available, but as at the end of November the number employed was 71,430, which is down 965 persons from the figure given for the previous year.

#### NATURE OF THE PROBLEM

Canada is faced with a persistently high percentage of unemployment, a consequent heavy burden on the nation in the payment of unemployment insurance benefits and the resultant discouragement of immigration. We would first like to comment generally on these problems.

Canada cannot reach its full potential of development or take its rightful place in the world unless it can increase its population very substantially and at a much higher rate than other more fully developed countries. A high rate of growth of population requires a high birth rate coupled with a high rate of net immigration. For these objectives to be achieved, it is essential that ample employment opportunity for a rapidly rising population be available.

Experience in recent years in this respect is most disturbing. In 1958 and 1959 \$900,000,000 of unemployment insurance benefits were paid out to Canadians for whom we could not find work. During these years the percentage of the labour force unemployed has ranged between a high of 9.1% in March of this year and a low of 3.4% in September, 1959, with an average for the full year 1959 of 5.6% and an average of 6.6% for the year 1960 up to the end of September. This percentage of unemployment is far higher than any other leading nation and the situation is unfortunately deteriorating rather than improving.

As a consequence, immigration which averaged about 160,000 in the years 1951 to 1956 and reached a peak of 282,000 in 1957, declined to 125,000 in 1958 and 107,000 in 1959.

And according to an article that appeared in the *Toronto Globe and Mail* of February 7, the figure for 1960 was 104,116 persons.

Total figures for emigration for the years 1958 and 1959 are not yet available, but as these were years of substantial unemployment, they were undoubtedly very high. In fact, official United States and United Kingdom figures show that these two countries alone received 57,000 immigrants from Canada in 1958 and probably about the same from Canada in 1959. If you add to these figures, previous immigrants to Canada who returned to European and other countries in the years 1958 and 1959, the net immigration into Canada for these last two years must have been virtually negligible.

No doubt the excellent data produced by Dr. Deutsch and his associates will confirm these facts I have stated.

The tragedy of this situation is that while the emigrants are generally highly trained, professional and skilled men in whom Canada has invested large sums of money in education and training, many of the immigrants are untrained and with limited education. Even over a much longer period of expansion and growth, that is from 1921 to 1957, for every 5 immigrants into Canada 3 people left this country. On top of all this, population projections show that during most of the 1960's, there will be 100,000 more young people every year who reach job hunting age than there have been in the past.

#### THE LABOUR FORCE

It seems to us that the first essential in finding a solution to this unsatisfactory state of affairs is to view the problem in its proper perspective. We know of no better way of doing this than to analyze how the labour force is presently employed. (See **Table 2**)