

*The Address—Mr. St. Laurent*

In round figures about one million of our five million labour force are farmers and other agricultural workers. Another half million are normally employed in other primary industries such as mining, forestry and construction. Manufacturing, in terms of employment, does not bulk as large as some might think, and accounts in fact for only a little over a million operatives. The balance is made up by the wide range of service or professional occupations, transportation, merchandising, distribution, and civil service at all levels of government. This break-down is of some importance. Unemployed people are not just statistics. They are persons with special individual skills and adaptabilities. This is a part of the background we must appreciate when we speak of unemployment in general terms.

This consideration of the size, skills and composition of our labour force is one of primary importance in thinking of remedies for any unemployment that develops. Another obvious factor is the extraordinary times in which we live, and the exceptional conditions we have experienced. It is still difficult to grasp in their proper perspective the magnitude of the changes of the last decade. In 1939 Canada was a civilian economy organized on a normal peacetime basis. About one-quarter of one per cent of our labour force was in the armed forces. Our armament capacity and production were practically nil. Five years later two million of our people, four out of every ten of our labour force were either in the armed forces or directly engaged in war industries. Our whole economy had been transformed from a peacetime to a wartime basis. It may sound rhetorical, but it is true that Canada had become one of the most important arsenals of embattled democracy. In the next couple of years that economy was to experience another violent reorientation. The war establishment was dismantled and the two million people directly involved had to be re-established in civilian life.

No argument or apology is necessary for the fact that the government of the day viewed with considerable misgivings and concern the possible disruption of the economy as a whole, and the individual lives of so many of our citizens. Precautionary steps were taken on an extensive scale. The government made generous and comprehensive provision for our veterans, and incidentally have provided thereby through provisions made for veterans, through unemployment insurance, family allowances, and the increase in old age pensions, for a wide distribution of purchasing power in Canada.

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At the same time our assistance in providing relief and rebuilding the western European economy, which is admittedly of such vital importance to us, far exceeded on a proportionate basis even the generous efforts of our great southern neighbour. War plants were reconverted. The labour force found new employment in satisfying the war-deferred demands of our civilian economy. The shift was made from a war to a peace basis with an expanding level of production, employment, income and general well-being, and with an almost unbelievable minimum of friction and discomfort. We have no regrets that some of the emergency measures which were prepared to meet possible distress were found unnecessary.

Nevertheless, as I said, the recent growth in unemployment is now a matter of serious concern. It would not have been surprising if this had occurred before or even if it had been more extensive. When we consider the terrible destruction of the war in Europe and Asia, the fearsome partition which has since developed between the two great armed camps, the disruption of normal trade and exchange and the break-down of the complex pre-war international economic and political system in many parts of the world, I think it is really extraordinary that Canada has been able to maintain such an exceptionally favourable position for so long.

I do not suggest for a moment that we are immune or that we can make ourselves immune to the violent dislocations which have occurred and are continuing to occur in so much of the world. A country as dependent as Canada on a free flow and high volume of international trade, which has always been and will always continue to be a necessary consequence of the nature of our resources, is inevitably vulnerable to external developments over which we have no direct control. Some part of our unemployment, and no doubt much of the concern which farmers, fishermen and other primary producers now feel, arise directly from marketing difficulties abroad. These difficulties of course are basically difficulties of our traditional overseas customers, but they are in time passed on to us.

Another unfortunate development has been the most unusual seasonal weather this winter. We may well echo the standard complaint that everybody talks about the weather and no one does anything about it. The fact remains that the weather, in a country such as Canada, plays a very important part in our whole economic life. Too much snow stops railway trains. We know that happened in the west. Too little snow puts ski lodges in a very precarious position, and we know that