

*Proposed Committee on Unemployment*

during the summer reduced the number of additional workers taken on during the winter months and also has reduced the length of their period of employment.

In my statement to the house last month I pointed out that the industries which contributed most to seasonal unemployment during the winter are construction, the retail trade, fruit and vegetable preserving, water transportation, saw and planing mills, hotels and restaurants, meat and fish products and pulp and paper mills. The decline in employment on the average each winter in these industries amounts to around 300,000 persons. The total number affected by the reduction in employment in all industries reducing their activities during the winter months is a good deal higher than this total of 300,000, although many of those laid off withdraw temporarily from the labour force.

In many cases the most practical approach to reducing the extent of seasonal unemployment is constructive action taken by both management and organized labour. There are, however, in addition to what the workers and employers can do, some steps being taken by the government. In the case of the federal government the local employment offices have been encouraging both large and small employers in their areas to plan their work so that as many jobs as possible are done during the relatively slack winter months. I would like to pay a compliment in this connection to the representatives of both management and labour as well as to public-spirited citizens generally for the assistance they have given to the work of our local offices in this and other ways through the local, regional and national employment committees.

As I said earlier in the house, an inquiry is being made into seasonal unemployment by the national employment committee at the request of the national advisory council on manpower. In addition the Department of Labour has undertaken in its economics and research branch some basic studies of seasonal unemployment. These studies are directed at determining the pattern of seasonal swings in employment in each of the major seasonal industries and discovering practical ways in which seasonal variations in employment can be reduced. This work, it will be fully appreciated, cannot yield direct results overnight, but I am convinced that this type of fundamental research will in time produce, in co-operation with industry, some valuable suggestions for further action.

I might mention here that important technical developments have occurred in such industries as construction which are helping to extend employment throughout the winter months.

I have tried to deal with frictional and seasonal unemployment at some length. I know that the house will not want me to try to deal with each of these industries that have been discussed here, but I should like to say just a word with regard to the coal mining industry in both the maritimes and the west.

**Mr. Diefenbaker:** Will the minister permit a question before he proceeds? Can he indicate to the house what proportion of the present unemployment is due to piled-up inventories and the like, to which he made reference, or to changes in requirements and production? What is the proportion estimated by his officials?

**Mr. Gregg:** I could say what I think it is, but my guess would not be any better than that of my hon. friend. I did state a little while ago that this task of producing statistics on unemployment is at best only a very good estimate. It would be impossible for me to make an estimate as to the proportions he asks for that would be any good to my hon. friend.

The decline in the coal industry has resulted from a combination of factors such as the substitution of oil for coal in domestic and industrial use, the increased efficiency of coal-burning equipment, and in the Cape Breton industry the mechanization of some of the Dominion Coal Company's mines in an effort to improve the competitive position of the product through increased output per man.

The unemployment situation has been aggravated in such areas as Minto—the hon. member for Royal (Mr. Brooks) will recognize reference to the Minto and Chipman areas—because the other main industries of lumbering and logging are operating considerably below normal levels. At the present time, however, there is every indication from the maritimes area that employment in most mines will not fall further at least over the course of the next few months. I would like to express my satisfaction in regard to the fact that my colleague the Minister of Mines and Technical Surveys (Mr. Prudham) has not only visited the area himself with members of the coal board but has also instructed an expert in the use of coal, in the person of Professor Christie, to visit the area next week.

**Mr. Brooks:** I would like to ask the minister a question. Could he tell me whether the reduction in the consumption of coal by the Canadian National Railways from Minto has been made in favour of coal mined in some other part of Canada?