

A paragraph or two below this contains the following:

The improvement on the date under review occurred largely in logging and retail trade and on highway construction, where the personnel of unemployment relief camps increased with the advent of cold weather. The gains in logging and trade are seasonal.

This statement goes out to the press as disclosing an increase in employment in the month of December over the month of November, and the contention is that employment was higher in the month of December than it had been at any time during the past two years. Those are the headlines that appeared in the press, but, embedded in this first paragraph, are words which disclose that these figures are arrived at by taking into account the persons employed on highway construction, the pick and shovel work which is given to a large number of men who are paid from the public treasury. This money is obtained through taxation.

Let me go a step further. On page 4 is given the detailed operations, and there appears the following:

Seasonal declines on a large scale were registered in railway construction, and building was also seasonally slacker, but there were considerable gains in the highway division, largely representing unemployment relief works; the result was practically no change in the group as a whole.

Then we find this remarkable statement:

The number of persons employed in projects for the relief of unemployment this year is greater than in 1932.

But these all important statements are all lost sight of in the general headings and figures of employment as a whole. In other words, this report which is being quoted throughout the country as evidence that there is more in the way of employment, when analyzed will be found to have embedded in it the statement that the number of persons employed upon projects for the relief of unemployment has been greater in 1933 than it was in 1932. Why is that number greater? Because there is more employment? No, it is greater because there is less employment and because more persons have been thrown out of private industry and have had to be taken over by the state.

Let me go a step further and quote the index numbers as given in the record. Construction figures afford a very good index of industrial prosperity, and the figure for December 1 is 94.6. But on page 8, the following page, one gets figures of comparison as between December 1, 1932, and December 1, 1933, on construction and main-

[Mr. Mackenzie King.]

tenance, and what does one discover? Construction and maintenance are made up of three groups—building, highways and railways. When you analyze building and railways—which should indicate any appreciable increase in the use of commodities that mean business to the railways and the distributing houses, as well as employment for labour in factories and elsewhere—these figures actually show that the situation was worse in 1933 than in the previous year, and that in reality two-thirds of the gain came from an increase in work on highways, for which practically all the money came out of the public treasury.

I say that the lumping together of relief projects with the other figures, the whole being reduced to one index figure, is productive of a distinct illusion as to the actual employment situation in Canada. Next spring, judging by what we are told in the speech, the government contemplates starting a great construction program. For what purpose? For the purpose of giving work to the unemployed, thus helping along the work of relief. If this method of compiling statistics is to be continued, if we are to be told that all those who will be engaged in work provided by money coming out of the public treasury, will be indicative of employment in Canada, of a character which is to suggest permanent prosperity, then I submit that the whole country will be completely deceived. And, if in addition to that we are to have an inflated currency, as one would gather from some of the speeches which the Prime Minister has recently made, why, this country, under these two methods of furnishing employment will assume the appearance of a boom, whereas, as a matter of fact, the whole business will simply represent a condition in which unemployment has been so great—unemployment arising from the fact that men cannot find work in private industry—that the government of the day has found it necessary, to a greater extent than ever, to come to the relief of those who are out of work.

I say that where statistics are put forth in that form it is impossible for this House of Commons to deal intelligently with the situation with which the country is faced. But there is something worse than that. This same report sets forth what purports to be comparative figures of employment in the United States. Now, one would assume that in comparative figures exactly the same method would be followed in compiling the information in one country as in the other. But, when you study the unemployment figures in the United States, you find that this bulletin has not