

industry in 1931, leaving the number unemployed as of June 1, 1934, at approximately 93,000."

After a period of slump and depression when the spending of public funds becomes a policy for the purpose of finding employment and setting the wheels of industry and commerce revolving again, house construction presents certain very clearly defined advantages over many other classes of work.

It distributes the full capital cost in the form of purchasing power. Practically the whole expenditure is spread over a wide range of trades, labour and materials. Even the cost of the latter is mainly represented by wages to different classes of labour engaged in home industries.

Mr. J. Clark Reilly, giving evidence for the Canadian Construction Association, said that his information showed that in 1920 the trade unions reported only three to seven per cent out of work, and in 1926, seven to eight per cent. In 1933 the figure of unemployed in their ranks rose to seventy-one per cent of skilled men.

The Bank of Nova Scotia's Review quotes a total for eleven years of \$1,143,800,000 spent upon residential construction down to 1931. They give us the annual average as \$104,000,000 and to show how this has dropped they state that in 1932 it was \$28,900,000, in 1933 \$23,900,000 and in 1934, \$30,600,000 in residential construction.

Mr. Reilly adds, that from the best survey that the Construction Association has been able to make it would appear that from eighty to eighty-two per cent is the total amount of the value of labour involved in a house but it varies with the type of houses.

The representation from the Canadian Construction Council submitted that, according to data they had obtained, sixty per cent of the unemployed are workers normally dependent upon construction for employment.

Reference was also made to a statement originating with the Cleveland Trust Company that last June the unemployed in the durable and building goods industries in the United States totalled 4,700,000; and that there were unemployed in consumable goods 500,000 and in services 3,900,000 or a total of 4,400,000. Therefore it was fairly obvious that were the 4,700,000 unemployed in the building and durable goods industries re-employed, the spending of their earnings would employ the 4,400,000 in the consumable goods and services industries. This was given as an illustration of how re-employment in the durable goods industries is essential to general recovery.

Mr. Armand Dupuis stated in his evidence: "There has been no construction in the past three or four years in Montreal, whereas in the twenty years which preceded them construction was the main industry in Montreal."

And further he said: "It would be the means of putting into circulation eighty per cent of the cost of the work in the form of wages. That eighty per cent is not a fancy figure, it has been given to us by a number of reliable contractors as being the amount of money in connection with the construction of small houses, and incidentally, it is the form of expenditure through which money gets back into circulation the faster."

Mr. J. Rancourt says: "It is admitted at the present time that the construction of dwellings in Montreal during the last five years has been very little. It will be necessary if we are to keep up with the increase of population to have somewhere around 25,000 to 35,000 flats built."

He also stated: "You must also remember that in a city like Montreal one-eighth of the population of workers is employed in the construction trades and at the present time with no construction going on, we have about 46,000 heads of families on direct relief. These 46,000 heads of families represent about 200,000 people who are being supported in Montreal at the present time."