

14. The intensified drive to expand export sales of manufactured goods is to be highly commended. Despite the competitive disadvantages there are many Canadian-made products which can find wider acceptance abroad with timely and energetic promotion. The Export Trade Promotion Conference, the stepped-up use of trade missions and trade exhibits abroad, together with renewed salesminded enthusiasm kindled in the very able personnel of the Foreign Trade Service will undoubtedly show worthwhile results.

15. The Association wishes to express in particular its appreciation for the action which has been taken to facilitate the financing of exports of capital goods on long-term credit. This should remove one of the major road blocks in exports of capital equipment.

16. A subject of gratification was the Government's decision in September to appoint a three-man Royal Commission on Government Organization under the Chairmanship of Mr. J. Grant Glassco. It should be noted that the Association has long requested the appointment of such a Commission to investigate ways and means to reduce government costs.

17. However, it is the Association's firm conviction that the above measures will have to be accompanied by further changes in the fields of taxation and tariff policy if manufacturing is to successfully compete at home and abroad and effectively play its role as the principal employer of labour.

The Labour Force:

18. No attempt is made in this brief to analyze or to describe exhaustively the composition of the labour force in Canada, its changing character, or the wide variety of regional, industrial, age grouping, and similar patterns which detailed studies make evident. The research studies which have been undertaken by the Committee's own staff meet all of its needs on this score and will, we hope, provide useful information in due course to industry and the public at large as well. In this brief the Association has sought only to identify and to comment briefly upon some of the developments and trends which appear significant for the size and character of the manpower and employment problems facing the Canadian economy.

19. During the past decade the Canadian labour force has grown at an average annual rate of about 2%. This average masks an absolute decline in the agricultural sector and a condition of little or no growth in the manufacturing sector. The real growth has occurred in the service industries rather than in the goods-producing industries. In the latter the proportion of white collar workers has steadily increased and for the economy as a whole this trend has been even more pronounced because of the growing place of the service industries. The number of women employed has increased relative to the number of men. Recently women have actually been displacing men in absolute terms in the labour force as increase in the employment of women has out-paced growth in total employment.

20. In 1939 agriculture employed about one-third of all those working, more than did any other single Canadian industry. Today, chiefly because of farm mechanization, only one out of nine employed Canadians works on a farm. The other resources industries (e.g. mining, forestry, fishing, electric power, etc.) have not contributed a large proportion of Canadian jobs for many years past and last year only about 5% of employed Canadians worked in these industries.

21. A Department of Labour study made last month forecasts that the employment on farms may drop to between 300,000 and 500,000 by the late 1970s.