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Minutes of proceedings and
evidence...

DATE

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Canada. Parliament. House of
Commons. Select Standing Committee
on Industrial and International
Relations, 1928.



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SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1—MARCH 5, 1928

WITNESSES:

Dr. O. D. Skelton, Under Secretary of State for External Affairs.
Mr. W. J. Callaghan, President, Civil Service Association.
Mr. T. R. L. MacInnes, President, Civil Service Federation.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MEMBERS OF COMMITTEE

McINTOSH, C. R. (*Chairman*)

Messieurs

Bell (St. John-Albert),
Bissett,
Black (Halifax),
Bourassa,
Chevrier,
Church,
Cowan,
Deslauriers,
Gervais,
Grimmer,
Hall,
Heenan,
Howard,
Jenkins,
Johnstone (Cape Breton North-
Victoria),
Letellier,
Macphail (Miss),

McGibbon,
McIntosh, *Chairman*,
McMillan,
Malcolm,
Morin (St. Hyacinthe-Rouville),
Neill,
Perley (Sir George H.),
Prévost,
Ross (Kingston City),
Stinson,
St. Père,
Thorson,
Tolmie,
Veniot,
White (Mount Royal),
Wilson (Vaudreuil-Soulanges),
Woodsworth,
Young (Toronto Northeast)—35.

(Quorum 10)

Attest.

WALTER HILL,
Clerk of Committee.

ORDER OF REFERENCE

INDUSTRIAL AND INTERNATIONAL RELATIONS

HOUSE OF COMMONS

MONDAY, 13th February, 1928.

Resolved: That the following members do compose the Select Standing Committee on Industrial and International Relations:—

Messieurs: Auger; Bell (St. John-Albert); Bissett; Black (Halifax); Bourassa; Church; Cowan; Deslauriers; Gervais; Grimmer; Hall; Heenan; Howard; Johnstone (Cape Breton-North Victoria); Laflamme; Letellier; Macphail, Miss; McGibbon; McIntosh; McMillan; Malcolm; Morin (St. Hyacinthe-Rouville); Neill; Perley (Sir George); Prévost; Ross (Kingston); Stinson; Thorson; Tolmie; Veniot; White (Mount Royal); Wilson (Vaudreuil-Soulanges); Woodsworth; Young (Toronto North-East)—34. (Quorum 10).

Attest.

ARTHUR BEAUCHESNE,

Clerk of the House.

Ordered: That the Select Standing Committee on Industrial and International Relations be empowered to examine and inquire into all such matters and things as may be referred to them by the House; and to report from time to time their observations and opinions thereon, with power to send for persons, papers, and records.

Attest.

ARTHUR BEAUCHESNE,

Clerk of the House.

FRIDAY, 10th February, 1928.

Ordered: That the Bill No. 4, An Act to amend the Civil Service Act (Councils), be referred to the said Committee.

Attest.

ARTHUR BEAUCHESNE,

Clerk of the House.

WEDNESDAY, 15th February, 1928.

Ordered: That the name of Mr. Jenkins be added to the Select Standing Committee on Industrial and International Relations.

That the name of Mr. St. Pere be substituted for that of Mr. Auger on the Select Standing Committee on Industrial and International Relations.

Attest.

ARTHUR BEAUCHESNE,

Clerk of the House.

WEDNESDAY, 29th February, 1928.

Ordered: That 750 copies in English and 250 copies in French of papers and records of evidence to be taken, be printed and that Standing Order 64 be suspended in connection therewith.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

FRIDAY, 2nd March, 1928.

Ordered: That the name of Mr. Chevrier be substituted for that of Mr. Laflamme on the said Committee.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

FIRST REPORT

Mr. McIntosh, from the Select Standing Committee on Industrial and International Relations, presented the First Report of the said Committee, which is as follows:—

Your Committee recommend that 750 copies in English and 250 copies in French of papers and records of evidence to be taken, be printed and that Standing Order 64 be suspended in connection therewith.

On motion of Mr. McIntosh, the First Report of the Select Standing Committee on Industrial and International Relations was concurred in.

Extract from Votes and Proceedings, February 29th, 1928

MINUTES OF PROCEEDINGS

WEDNESDAY, February 29th, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 a.m.

Mr. McIntosh (The Chairman), Presiding.

Present: Messieurs Bell, Howard, Jenkins, Johnstone, Laflamme, Letellier, Neill, St. Pere, Woodsworth—10.

The Order of Reference, upon being read, was considered.

On motion of Mr. Woodsworth,

Resolved: That the Committee do report and recommend that 750 copies, in English, and 250 copies, in French, of papers and records of evidence to be taken be printed, and that Standing Order No. 64 be suspended, in connection therewith.

On motion of Mr. St. Pere,

Resolved: That Dr. Skelton, of the Department of External Affairs; Mr. W. J. Callaghan, of the Department of National Revenue; and Mr. T. L. R. MacInnes, of the Department of Indian Affairs, be requested to attend the next sitting of the Committee.

Mr. Gerald H. Brown (Assistant Deputy Minister of Labour) was heard in regard to the scheme of Councils adopted in Great Britain.

The Committee adjourned to call of the Chair.

WALTER HILL,
Clerk of Committee.

TUESDAY, March 6th, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day at 11 a.m.

Mr. McIntosh (The Chairman), Presiding.

Present: Miss Macphail, and Messieurs Bell, Chevrier, Church, Deslauriers, Grimmer, Howard, Jenkins, Johnstone (Cape Breton North-Victoria), Letellier, McMillan, Sir George Perley, Ross (Kingston), St. Pere, and Woodsworth—16.

Minutes of February 29th, read and approved.

Dr. Skelton, Under-Secretary of State for External Affairs, called, sworn, and examined on Civil Service Councils of Great Britain. Witness retired.

Mr. W. J. Callaghan, President of the Civil Service Association, called, sworn, and examined. Witness retired.

Mr. T. R. L. MacInnes, President, Civil Service Federation of Canada, called, sworn, and examined. Witness retired.

Ordered: That Mr. Fred Knowles, President, Amalgamated Civil Servants of Canada, and Mr. Cameron, of the Professional Institute of Canada, and Miss Jane McInnes, representing the women of the Civil Service Association, be heard at the next sitting.

Committee adjourned at 1 p.m., to call of the Chair.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

ROOM 429,

HOUSE OF COMMONS,

TUESDAY, March 6, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., Mr. C. R. McIntosh, the Chairman, presiding.

The CHAIRMAN: Ladies and Gentlemen, if you will come to order, we will proceed with our business. The first item on our program this morning has been disposed of, and I think perhaps all who are present now will understand exactly what the Committee has to deal with. It is Bill No. 4, which is an Act to amend the Civil Service Act (Councils.) This Bill has been introduced by Mr. Woodsworth, and it obtained its first reading on the 30th of January, 1928, when it was referred to this Committee to conduct an investigation of the question.

At the last meeting, the matter was explored somewhat by Mr. Brown, the Assistant Deputy Minister of Labour and, as you have heard by the minutes, we are now to conduct an inquiry into the question.

I have before me a report presented by the Civil Service Committee to the House of Commons in the year 1923. I think it is called the Malcolm Report, and there is in that report a paragraph or two which I think perhaps I had better read. It might open up the whole situation for us.

Mr. CHURCH: Where can we find what you are going to read?

The CHAIRMAN: It is in the report of 1923. On Page 8 of this report, I find the following:

In the rapid growth of industry great efficiency has developed, but those charged with the problems of organization and management have found that this could only be accomplished by securing the greatest cooperation of their employees. The war emphasized this essential factor. As a result there have been established in private enterprises many forms of industrial councils which give representation to the employee on questions affecting his welfare. The need in private enterprise for some plan of employee representation finds its counterpart in a similar demand from those engaged in the public service.

Your Committee has heard much valuable evidence on this subject; such plans as the Whitley Councils have been presented as giving to the Civil servant a voice in the settlement of problems affecting his welfare. Your Committee, however, is unable, by reason of the diversity of evidence submitted, to recommend the acceptance of any definite plan now in existence as being adaptable to the conditions existing in this country under the present Civil Service Act.

After reviewing the evidence and considering the problem from its various angles, your Committee is impressed, however, with the necessity for the creation of some type of Board on which the Civil Servant shall be represented so that the causes of complaint may be given fair consideration by those familiar with conditions in the service.

Your Committee therefore recommends that the Civil Service Commissioners be given power to establish without delay, Department Personnel Boards to be made up of an equal representation of the Civil Service Commission, the Department and Departmental employees. These Boards to act in an advisory capacity in matters of classification promotion, dismissal, salary revision, leave of absence, and other kindred problems affecting the welfare and efficiency of the departmental service.

These are just a few paragraphs from the Malcolm Report of 1923 right on this subject, and, with the introduction to it which we had last week, I think perhaps we are ready to go on now with the investigation.

Mr. WOODSWORTH: Did the Civil Service Commission take any action in line with these recommendations?

The CHAIRMAN: Not that I have heard of, Mr. Woodsworth. The first witness this morning, I think, is Dr. Skelton, the Deputy Minister of the Department of External Affairs.

O. D. SKELTON, called and sworn.

By the Chairman:

Q. What is your name?—A. O. D. Skelton.

Q. You are the Deputy Minister of the Department of External Affairs?—A. Yes, sir.

Q. You may proceed, Dr. Skelton. I would like to ask the members of the Committee to make this meeting as lively as possible by interrogating Dr. Skelton, so as to obtain the evidence we need to open up this question in full.

Mr. WOODSWORTH: Might we hear the statement of Dr. Skelton first?

The CHAIRMAN: Certainly. I think that would be the better way.

WITNESS: Mr. Chairman, I am not quite clear as to why I have been given the honour of appearing before you this morning, I am a newcomer in Ottawa, am not very familiar with the Civil Service situation and am not an expert on its organization.

The CHAIRMAN: When you went overseas last year, I think you were asked to look somewhat into this question, by the Prime Minister, and that you did so. We thought we would be helped by having you appear before us, here.—A. That is true. I did, last year, make some inquiries while in England as to the working of the Whitley Councils there, but I did not know that the matter was coming up in definite form here. Such impressions as I did gather there I will be glad to pass on to you. I did not have the pleasure of being present at the meeting last week, but doubtless you are aware that the Whitley Councils in the Civil Service in Great Britain, are an off-shoot of the movement for the bringing about of more co-operation between employers and employed, in some lines of activity, and more co-operation between labour and capital generally.

After the war the British Government was very much interested in bringing about greater harmony than existed, due to after-the-war strain, in private industry, and, as you know, a Committee presided over by Mr. Whitley, recommended the establishment of what would be known as Whitley Councils, consisting of equal representation of employers and employed, to discuss some common ground for improving conditions in each industry. It was proposed then that the Government should take a dose of its own medicine, and if it believed in setting up these councils in private industry it should not object to the setting up of somewhat similar institutions in regard to the organization of its own staff. Accordingly, after several inquiries it was agreed by the Government to establish national, departmental, and local Civil Service Councils.

[Dr. O. D. Skelton.]

As far as I am aware, this does not rest upon any legislative action. It was done by agreement between the Government and various organizations in the Civil Service, and was carried into effect. It is rather a curious development that the Whitley Councils were more effective in the Civil Service than in private industry. I believe that there are not half as many Whitley Councils in private industry to-day in Great Britain as there were six years ago, but they are still working in the Government service. That has been due partly to the fact that in private industry the workmen preferred to trust in the trade unions, and, in the Whitley Councils when first established, the employees were not very well organized, and it was impossible to get the same co-operation as existed in the Government councils.

I do not imagine that I need to go into the question of the organization of these councils, other than to say, that there is in the first place a National Council, consisting of 27 representatives on the official and 27 on the staff side, together with departmental councils, in practically every department of the Government, and Local Councils or Regional Committees, or office committees, on a somewhat less regular plan in the various branches throughout the country. The National Councils have been the most important and the most successful. They have done some extremely good work in the way of preparing reports on the better organization of the service. One of their first tests for example, was to attempt to plan a new organization and classification of the Civil Service. That question had been up several times, and Lord MacDonald's Committee just before the war, had drafted a quite comprehensive scheme of reform which had not gone into effect, by reason of the war, but owing to the tremendous multiplication of government activities during the war, its necessity had increased. The National Council produced a very effective scheme for the organization of the Civil Service, dividing it into three main classes; first, Administrative, second, Executive, and third, Clerical, which went into effect, and on the whole has worked very satisfactorily. They then dealt with questions of promotion, the cost of living bonus, and employment of temporary clerks, and so forth, which departmental councils have dealt with more in detail, but do not seem to have been nearly so successful as the National Council.

I discussed the working of the Councils with individual members of the official and staff sides, and I think I can say that the concensus of opinion was that, on the whole they had, particularly the National Council, proved worth while. One man summed it up by saying that while they had not done as much harm as he had feared, neither had they done as much good as he had hoped. I suppose that is a common human experience. Another man on the official side said that if they did not exist he did not think they should be brought into life, but if they did exist they should not be abolished. I think that represented a very common point of view.

I think I can say that I found that on the staff and the official sides there was a belief that they had justified their existence somehow; certainly they had had a psychological value, quite aside from the reorganization work they had been of material help in forwarding.

I might be allowed to take up some of your time, but not too long, to refer to three or four points that came out in my discussion with members who had been in touch with the working of the Councils in England. One point was that it had become necessary early in the operations of the Councils to come to a definite conclusion as to where the ultimate responsibility lay. There was one of the clauses in the report of the original committee which led to the establishment of the Council which seemed to indicate that the findings of the Council became operative immediately upon being reported to the Government, but the Government took exception to that interpretation, and after some difficulty

both sides, the official and the staff sides of the National Council, agreed upon the following statement:

The establishment of Whitley Councils cannot relieve the Government of any part of its responsibility to Parliament and Ministers, and Heads of Departments acting under the general or specific authority of ministers must take such action as may be required in any case in the public interests.

It follows from this constitutional principle that, while the acceptance by the Government of the Whitley system as regards the Civil Service implies an intention to make the fullest possible use of Whitley procedure, the Government has not surrendered and cannot surrender its liberty of action in the exercise of its authority, and the discharge of its responsibilities in the public interest.

That was signed on behalf of the official side, by R. R. Scott and, on the staff side, by G. H. Stuart Bunning, on the 24th of October, 1921.

Another question that may be of some interest, certainly one which has given rise to some difficulty, is the diversity of opinion between various sections of the staff side. That has manifested itself comparatively recently in a secession from the Whitley Councils of two of the societies representing the upper grades of the service. When the National Council was set up, twenty-seven members were appointed on each side. The staff side was divided as follows: ten members were assigned to the Post Office Union; eleven members were assigned to the Civil Service Federation which consisted largely of Customs and similar departments of the staff; two members were assigned to the Institute of Professional Civil Servants, two to the Civil Servants Society of the first division of the association, and two, I think, to the temporary staff association. There developed a certain amount of cleavage between some of the members representing the higher paid and those representing the lower paid members of the service, the dividing line coming roughly at £500 per year. Finally the society of the Civil Service, first division, withdrew and have not returned, so far as I am aware, to the staff side of the National Council. Their objection was based first on the ground that the staff side, speaking as one, as it has always done, and the official side always speaking as one, or the Chairman and the Vice-Chairman respectively seemed to take the views of the overwhelming majority of the service, who were naturally the lower paid members of the service, and did not take into account the interests of those in the higher paid circles. The specific occasion for the withdrawal was a dispute over the general strike, which occurred in 1926. The staff side issued notices asking all the Civil Servants to refrain from volunteering to carry on the ordinary work from which those participating in the general strike were withdrawing. Two of these Societies represented on the staff side objected to this view, and an effort was made to secure harmony for the future by adopting standing order which provided that no decision on any matter, not definitely a question of detailed organization would be dealt with, no decision on an industrial subject should be taken up without the unanimous consent of all the representatives of the staff side. In spite of that protection for the future being adopted, two of the societies withdrew from the staff organization.

Another point to which I may refer is the difference in the situation in Great Britain and Canada owing to the very great difference of the degree of authority represented by the Civil Service Commissions in the two countries. It was pointed out to me by several to whom I broached the subject, that of course the great difference in the situation in Great Britain and Canada is the difference in the authority of the Civil Service Commissions in the two countries, and that, I think, is quite correct. In Great Britain, the Civil Service Commission

has laws better in the way of recruitment, in classification or in promotion than the Commission has in Canada. That affects very much the question of the working of any council that might be used in this country. In this country, Parliament has delegated a good deal of the authority that would normally be exercised outside and independent of the Civil Service Commission. There is therefore that much less responsibility remaining with the government, which would be shared with a Civil Service Council. There is also that additional amount of safeguard against arbitrary action if that is to be feared, either for good or for ill, on the part of the ordinary administration.

My inquiries were very brief and wholly personal, and I had no specific authority to make them, but, on the whole, I was inclined to conclude that the Council had proved of value and that its value lay chiefly in dealing with questions of general policy rather than with questions of individual administration. I am inclined to think as regards Canada, that if it were decided in time to take any steps in the direction of the establishment of a Civil Service Council, in the initial stages at least, it would be advisable to restrict it to a central council dealing with questions of general policy, rather than to bring in matters of administrative and personal detail.

These are the main points which my brief inquiries lead me to bring forward, and if there is any particular question which any one wishes to raise, I shall be glad to attempt to deal with it.

The CHAIRMAN: Is there any member of the Committee who desires to ask Dr. Skelton any questions?

Mr. CHEVRIER: Might I ask Dr. Skelton whether, in his opinion, this Whitley Council, as constituted in England could be adapted to the Civil Service of Canada; whether the constitution of the Whitley Councils could be adapted to the Civil Service in Canada?

Mr. SKELTON: Mr. Chevrier, I think that is what this Committee is here to answer, and as one whose experience in the Civil Service is comparatively limited, I could not venture to give any dogmatic opinion. I am inclined to think it could, but as I said, I would be inclined to emphasize the National Council rather than the departmental or local council, something along the lines of the suggestions made by the Civil Service Confederation.

Mr. LETELLIER: Would Dr. Skelton inform us if there was anything suggested concerning the organization of small industries. There was something said about the small industries in Canada, chiefly in Quebec, where we have a certain amount of hydraulic electric power, and I believe it would be of great importance to know if anything was discussed concerning that important question.

Mr. McMILLAN: As to the benefit of such councils in small industries.

Dr. SKELTON: I think that so far as the application of Whitley Councils to private industry is concerned, the general experience in England has been that it was more successful in the small industries which were not so completely unionized as the larger industries were. Whitley Councils were never established in any of the big industries in Great Britain; in the coal mining, cotton, or iron and steel industries. They were established in the small industries, like furniture, pottery, and the building trades, and so on, in the small industries, and it is there that they think they have had the most effective results?

Mr. WOODSWORTH: There are two or three questions which occur to me, Mr. Chairman. He says that the powers in this country are delegated very largely by the government to the Civil Service Commission, and that these may save the individuals from arbitrary action on the part of the administration. That may be true, but might we not have arbitrary action on the part of the Civil Service Commission itself? It does not seem to me that that solves the problem as regards the staff at large. Has Dr. Skelton anything on that?—A. I

[Dr. O. D. Skelton.]

would like to emphasize the fact that the action of the Civil Service Commission may work for good and for ill. If you have a good Minister, and a reasonable set of administrative officials under him, they may perhaps be restrained from doing some good they would otherwise be able to do. If you have a Minister who is trying to play politics, and officials under him who are doing the same thing, it might restrain them from doing harm. The Civil Service Commission works both ways in the minds of those who have anything to do with the administration.

As to Mr. Woodsworth's point, more specifically, I think it can be said that the Civil Service Commission has a voice in the administration, much greater in Canada than in Great Britain, and that it acts as a check both ways. There is a certain amount of restraint on the ordinary administration in Canada that does not exist in England; but on the other hand, the Civil Service Commission is by no means in complete control. There is a mutual check. I am inclined to think it reduces very greatly the chance of wholly arbitrary and unconsidered personal complaint.

By Mr. Woodsworth:

Q. It strikes me that one of the reasons for the establishment of such councils is the necessity of dealing with what Dr. Skelton called administrative and personal details. In fact, that statement of his has appealed to me personally even more than the National Council. I think all of us as members have been appealed to again and again by civil servants to take up cases of alleged injustice, discrimination, and that kind of thing. Now, at the present time, there appears to be no other way of doing that except by an appeal to a member of Parliament, and through him, to the head of the Department; and in that case, there is no chance for the man to come before an impartial tribunal. Does Dr. Skelton not think it would help a good deal, in such administrative detail, if we had an impartial tribunal, before which individual complaints could be made? In all our great railways and other great industries, there are grievance committees in regard to matters of that kind?—A. I do not deny that there is a possibility of obviating trouble in that direction, and of a remedy being afforded by the grievance committees to which Mr. Woodsworth referred. I am speaking subject to the fact that my experience of Civil Service matters is much more restricted than that of most of my colleagues. But, taking the Service as a whole, I am inclined to doubt whether there is very much genuine ground for individual complaint. Of course, there is the question of promotion in which three or four men may be considered, and in which each man is inclined to take his own valuation of his qualifications, and there is apt to be some disagreement. There is a special check here in the operation of the Civil Service Commission. So far as any instances of what might be called injustice have come to my notice, they have been more often questions on which there would be a great deal of difference of opinion, perhaps an attitude of arbitrariness or of temper, or something that is very difficult to put down in black and white and proved before any committee. I would still be inclined to think, for a start at least, that it would be safer to begin with the National Council dealing with the broader questions, and if experience showed in time that there was necessity for further administration, perhaps the necessary steps could be taken.

By Mr. Ross (Kingston):

Q. Was there any relationship or representation from the Departmental Council to the National Council where these things could be taken up?—A. Not exactly, General Ross. The National Council does not act as a committee in England, as a committee of appeal from the Departmental Committee. But

it is specifically provided that any Departmental Council, before taking any action, can consult with the National Council, and many of the members, both of the official and staff sides on the National Council, may be members of the official or staff side of the Departmental Councils, and in that way there is some contact.

By the Chairman:

Q. The success of the National and Departmental Councils would depend to a very great degree on the kind of co-operation which existed between the two bodies?—A. Quite so.

By Mr. Woodsworth:

Q. Dr. Skelton seems doubtful as to whether there are grievances to any extent in the Civil Service. I would call his attention to the fact that in 1918 and 1919, in my own constituency, the City of Winnipeg, the postal employees went so far, and felt their grievances so keenly, as to go on strike; and three years ago—I think it was three years ago—the Toronto and Montreal postal workers went on strike. Now, it has been claimed that while strikes should be the last resort in industry, they ought not to be resorted to by Civil servants, because Civil servants occupy a very responsible position. Some have gone so far as to say that the Civil servants ought not to have an effective organization. My thought is this: If you are going to preclude the Civil servants from having an effective organization, and if you are going to prevent them absolutely from going on strike under any circumstances, ought we not, in all fairness to provide some means by which they can ventilate their grievances. I am suggesting that there are some historical cases that have happened within the last two years, and which show that there has been very extensive dissatisfaction with existing circumstances. Would it not be wise, under these circumstances, to provide some machinery to prevent strikes and allow the Civil servants to ventilate their grievances, and consult with the Government?—A. Certainly. I am not conscious of having said that there are no grievances in the Civil Service. There are, and always will be, and some of them are very well founded. What I did say, I think, was that at the outset at least, the machinery for dealing with general grievances affecting whole classes or groups—and these would include the very cases you have referred to—should be the National Council. The cases referred to, were not cases of individuals complaining that they had been passed over in favour of other men working perhaps at the next desk. I think that both the cases you referred to, Mr. Woodsworth, were such as affected classes and general conditions, and they would therefore come within the scope of a National Council.

By Mr. Chevrier:

Q. Do you know whether there is in England an arbitration board which deals with matters affecting Civil servants? If there is one, do you know what its relationship is with reference to what one may call the National Council? Do you know how it functions?—A. I did not go into that very fully. I believe that before the Whitley Councils were set up, provision was made for the arbitration of certain general claims, not individual cases; and there is at the present time—at least there has been in the past year—a good deal of dispute and conflict between the findings of the court set up in that way and the views of the staff side of the National Whitley Councils. But I have not any very definite information on that.

Q. As I understand it, in the Civil Service in England there is a certain proportion of what might be called industrial workers such as for instance, those connected with the Public Works Department here. Have you any

[Dr. O. D. Skelton.]

information as to whether the National Council in England deals with the grievances and other matters affecting the industrial side of the Civil Service, as distinguished from the clerical side?—A. No, they do not. The National Whitley Councils, which are most in view, are restricted to what is called the administrative executive and clerical sides. There is, however, machinery for dealing with the industrial branches of the Government service, very analagous to that of the Whitley Council.

Q. Do you know whether these Councils have ever taken up classification, or questions of the status or standing of any one in the Civil Service in any of the categories that run up, say, to \$3,000 a year?—A. I think there is an arbitrary limit, and that £700 is the dividing line between the cases that are and the cases that are not referred to the National Councils.

Q. Would you mind saying, if you know, what is the status of those higher paid officials in the Civil Service of England? Do the Councils look after their interests, or how are they appointed? Are they a go-between as to their respective responsibilities and functions?—A. Well, I suppose the majority of the members of the service in England, as in most branches of the industrial world, would say that there is a much greater divergence between the lowest and the highest paid ranks. The lower grades in the Civil Service as in the industries are paid much lower than they are in Canada, while the upper grades are paid very much higher. All the higher grades are represented there. They have three or four institutions, the society of Civil servants, the professional institute and the first division association.

Q. With your experience of the British Civil Service, what would you say as to the relative remuneration, or, in other words, would you consider that the lower classes in the British Civil Service are paid what they are worth?—A. That is a pretty tall order.

Q. In other words, are they getting a just remuneration when you say that the lower classes of the Service there are paid better than the lower classes of the Service in Canada.

An Hon. MEMBER: It is the other way?

WITNESS: Yes.

By Mr. Chevrier:

Q. It would be of some assistance to know if in your estimation, without casting any reflection on the British treasury, these lower classes are paid sufficiently?—A. That depends on what their standard is. As I have said, there is a much greater range between the lower and the higher grades. It is in conformity with the social and economic conditions of the country.

By Mr. McMillan:

Q. I am rather interested in the question of members' responsibility and the heads of Departments in England, and their power to deal with such matters as affect the Civil Service. Do you think that in Canada they should be restricted to a greater degree than at present in relation to Civil Service matters?—A. That is a matter for the members of Parliament to deal with.

By Miss Macphail:

Q. I suppose there is a large proportion of women in the Civil Service in England. Do you know if they are represented on those Councils, National and Local, in proportion to their number?—A. There is a considerable number of women in the British Civil Service, and I believe that the question of whether they should be represented was taken up by the committee, and it was decided not to make any formal provision for the representation of women as such. It was taken for granted that there would be a number of women represented,

and they are represented on the staff side, both in the National and Departmental Councils. But I should say, speaking from casual conclusions, that they are hardly represented in proportion to their number in the Service.

Q. There is a general feeling among women workers, not only in the Civil Service, but in other fields, but particularly in the Civil Service, that they are not paid as well for the work they do as the men are for similar work. That being, I think, a general condition in the Civil Service, it is very necessary that women should be given some just representation on those Councils?—A. Yes.

Mr. CHEVRIER: I agree with the hon. member for South-East Grey that there is a considerable number of women in the Civil Service who are performing work similar to that performed by men, and the men draw much larger salary. If she is referring particularly to the Civil Service of Canada, I agree with her.

Miss MACPHAIL: I think it does, and I think it applies to industry generally.

The CHAIRMAN: Any further questions?

W. J. CALLAGHAN called and sworn.

By the Chairman:

Q. What is your full name?—A. W. J. Callaghan, president of the Civil Service Association.

Q. Give us, Mr. Callaghan, your idea on the question before the Committee as briefly as you can?—A. Well, Mr. Chairman, before I make a statement, there are two things I wish to mention, and I will gladly answer any questions on these two subjects some time later. They are in respect to what Mr. Woodsworth said, that the Civil Service had no medium through which to present grievances, except through the members. For the benefit of the Committee, I would like to inform him that the Civil Service organization, during the two years I have been president, have dealt with, I believe, 500 grievances. I believe that will give some of the information he wanted. Miss Macphail brought up the question about women being represented. I might tell her that they are represented on the Civil Service Council committee. This is my first time on a witness stand, and I may not make a very good job of it, but I will endeavour to do the best I can.

By Sir George Perley:

Q. You say there were 500 grievances. Was that last year?—A. In two years.

Q. How many of these grievances were well founded?—A. The point is, there was no medium through which these could be handled. The grievances may be well founded, and I think about one-half would be fairly well founded, and the others would not.

By the Chairman:

Q. Did they originate from the Civil Service in Ottawa, or all over?—A. Ottawa particularly. I have had a dozen or more from outside of Ottawa.

Q. How many members were there at that time; how many would that represent?—A. The Civil Service Association of Ottawa up to two years ago was slightly in excess of 1,500 members; its membership last year exceeded 3,400, and the prospects this year, from the returns so far received, are that the membership will exceed 5,000, an increase of over 50 per cent so far this year.

[Mr. W. J. Callaghan.]

Q. How many of those Civil servants are located in Ottawa?—A. Ottawa has some 6,500 permanents with the temporary, part time and seasonal employees, about 10,000 in all. The Ottawa Civil Service Association represents the clerical, administrative, and executive employees; it represents all classes of employees in the Civil Service. It looks after matters of general interest in the service, and endeavours to be of service to its members in every way possible. In Ottawa we have the Professional Institute, devoted chiefly to the interests of professional men in the service. The Civil Service Association includes many of the Professional Institute and many of the Haleyon Club members.

The Civil Service Association at Ottawa have always been treated with the greatest respect by the Government, or by any government that may have been in power. They have always made reasonable representations, which have been given due consideration. The Civil Service Association has no fault to find with the Civil Service Commission. I believe, within the last three years, I have never heard one remark, even by the most radical member of our executive, against the Civil Service Commission, and I am sure if there was anything of that spirit it would be expressed at our meetings.

I do not think there is any other question in regard to the Civil Service Association in Ottawa that I need mention. It was organized in 1908, to obtain superannuation chiefly, but since that time it has endeavoured to assist in all matters appertaining to the general Civil Service.

Perhaps I might deal briefly with the Whitley Councils, and I might, in making a few remarks about those Councils add something in regard to the industrial phases of the system. I do not know whether it is out of order or not, but I find that a committee was appointed in England to study the whole industrial question. Councils were provided, which have appeared to be quite feasible and workable. At the same time, this Committee made a decided pronouncement in opposition to the Whitley system in England. At the outset it might appear strange that the Civil Service organizations have not made any request before this date for Civil Service Councils, that is, a pronounced request. They have been asking for Civil Service councils for some years, and we have considered the various announcements made by the Prime Minister and Members of Parliament encouraging the Civil Service to advance along that line. There are two reasons for that. The first is that Civil Service organizations in Canada are treated exceptionally well. When they have had any representations to make to the Government, they have no fault to find with the way in which they were received, although action might sometimes seem to be slow. Another feature in the case is that when Councils are mentioned the name of Whitley is associated with them. Rumours have reached this side that the Whitley system has not been the success it is reported to be, and the Civil Service would prefer to remain aloof from such a subject. In support of the statement I have made or inferred, that the Whitley system has not been a success perhaps in industry—I am not so particular about that—but in the Civil Service in Great Britain, certain facts are available, and with emphasis I would express first the view after discussing these matters with Civil Servants that they are not in favour of the Whitley Councils, but of Civil Service Councils. The second is that the Civil Service Association of Ottawa, are not in favour of Whitley Councils, and I believe, as far as I can learn that the other associations in Ottawa have no great love for or do not wish to sponsor the idea of Whitley Councils in the service. The third fact I would submit in support of what I am saying is a quotation from *The Quill*, the official organ of the Society of Civil Servants in Great Britain, published in January, 1928. The statement is made in regard to the Whitley Councils. I do not believe that association would make a statement which perhaps did not reflect to a great

[Mr. W. J. Callaghan.]

extent the opinion of the Association in Great Britain. This statement reads as follows:

These facts and our own knowledge point rather to the conclusion that Whitleyism has not a great future in the Civil Service, as conducted at present. Agreement with the Treasury as to what are equitable rates of pay is unlikely ever to be secured, and now that disputes can be settled by the Industrial Court, it seems a waste of time to discuss salary questions with the hope of coming to agreement with the Official Side. Further, the inability of the National Council to deal with appeals from Departmental Councils is another grave weakness.

That is the opinion of the Civil Service in Great Britain as far as it can be obtained.

Mr. WOODSWORTH: To clear up this point, is the witness speaking specifically of the particular form of Council known as the Whitley Council, or is he suggesting that the service is opposed to all Councils?

WITNESS: I am not suggesting that, but I believe that the Civil Service does not want Councils that will meet with the same failure as the Whitley Councils have met with in England. Perhaps the members of this Committee are fully aware of the contents of a report published in England, on February 3, known as the new public policy of the Liberal party in Great Britain. Mr. Ramsay Muir, in an article in the Manchester "Guardian" of February 13, 1928, referred to it as being most important.

By Mr. Chevrier:

Q. As I know Mr. Muir personally, I would be glad to have this reference? —A. I have not got it marked, but I will give it to you later. He (Mr. Lloyd George) remarked as to the personnel of that Committee which consisted of Mr. Keynes, Mr. W. T. Layton, Sir Josiah Stamp, Professor Clay, and others. I just discovered this article on Sunday last, so I have very little information about it. The only information I have is in the Manchester "Guardian" of February 13, in a speech made by Mr. Lloyd George, when he made a statement in regard to the personnel of that Committee, as I said a moment ago. The report of the Committee, I might add, contains 500 pages, and the conclusions 40 pages. Mr. Lloyd George said:

Your chairman has referred to the fact that recently you have had an investigation into the whole industrial problem of this country. Well, it is perfectly true I took part in it and assisted in it, but I can speak quite freely with regard to the men who did it because the bulk of the work has been done by half a dozen men.

He then referred to the men of the Committee eminent in the science of industry, and the science of political economy such as Mr. Keynes, Mr. W. T. Layton, Sir Josiah Stamp, Professor Clay, Mr. McNair, Mr. Ramsay Muir, Mr. E. D. Simon, a man who not merely knows the theory of business, but the practice of business; Mr. Renold, and Mr. Gilpin. He concluded by saying:—

Well, that is a very considerable piece of work to have done. It has taken eighteen months of very hard work for these men—very hard work.

This Report does not deal with the Civil Service, but there are many features in it which would be worthy of consideration in advisory councils, which would improve conditions under which we work.

By Mr. Chevrier:

Q. Can you tell us in what proportion the British Civil Service is composed of the industrial side as distinguished from the purely clerical side,

[Mr. W. J. Callaghan.]

because that refers to the industrial, while, as to the other side, the clerical side, it might be a different question. I have listened with great interest to what has been read, but it refers mostly to the industrial side, while the service is composed of people engaged in clerical work, as well as people engaged in vastly different work, even to light-house keepers, store keepers, and so forth. What has been said has more to do with the manual side of the service. I would like to know in what proportion in England manual labour compares with the clerical side of the service, as in the old days the Civil Service used to be understood?—A. I have no information as to the proportion in Great Britain. I was only referring to this to prevent the idea getting out that a system formed on the same basis as the system in England would be beneficial to the service here.

Q. I mean, provided the same conditions and the same proportions applied?

—A. If the principles of the Whitley system were not sufficiently sound and sufficiently successful to incorporate in any new policy, they are not sufficiently sound to be incorporated into Civil Service Councils.

By Mr. Woodsworth:

Q. Will you outline what you are referring to? Tell us your objections, and tell us the features to which you object?—A. One objection to the Whitley Council is, as to its enforceability, or its non-enforceability. The Council has very little power to enforce its decisions. Another is, the right of appeal from the lower Councils to the National Council. Those are the two objections, chiefly. I will leave the matter of industrial councils at that, merely saying that I think it is sufficiently proven that the Civil Service does not request a system based purely on the Whitley system.

By Mr. McMillan:

Q. From your experience, do you say that the system in Ottawa is fairly satisfactory?—A. We make the best use of the system we have. The Civil Service Commission grants us every opportunity.

Q. Your Civil Service Association is working, is it not?—A. It is working, but it has no power; it depends only upon the good graces of the higher authorities.

By Mr. Chevrier:

Q. Do you mean the Civil Service Commission?—A. I mean the Civil Service Commission and the heads of the departments.

By Mr. Woodsworth:

Q. I understood you to say that out of 500 cases some 250 could not be dealt with?—A. 250 were worth dealing with.

Q. Out of 500 you had 250 that were worth dealing with, but you had no way of dealing with them?—A. Yes, I had them dealt with.

Q. What machinery is there, and how does it work at the present time?—A. Well, the machinery there is is the Civil Service Commission.

By the Chairman:

Q. They present their difficulties to the Civil Service Commission, and try to get action?—A. Yes.

Mr. HOWARD: Do you represent those who favour the adoption of Bill 4 as reported?

The CHAIRMAN: That is rather a large question for him to answer.

WITNESS: I intended to embark upon that question at this juncture but I cannot answer it off-hand, because there are some features of the bill we are

[Mr. W. J. Callaghan.]

in favour of, while there are others, of which we disapprove. We are in favour of the right of appeal for Civil Servants, and we want to know that Councils, if established, would have some back-bone and some power, and that they would not be a party to the pigeon-holing of our representations.

By Mr. Woodsworth:

Q. The Bill does not go far enough, in your judgment?—A. In some features it goes too far. The method of appointing the Board of Appeal does not appeal to us very much.

Q. Do you think there is not enough power granted to the Councils?—A. It is pretty hard to discuss the power, when you have not a legal training. There are certain features in the Bill which are not quite clear to me. First, it is to be established under the Governor in Council, and then it has to have judicial power. I do not see how that is to work out. Another feature in regard to the appeal is that I believe this Board of Appeal, in the last clause of the Bill, should have the same personnel as the National Councils. The National Council represents the different branches of the service, and it has a better opportunity of coming to a decision, much better than another body having judicial power. They will respect the wishes of all parties concerned. There is a danger of evidence being adduced and decisions arrived at of a semi-judicial nature, which might be quite contrary to what is existing either in the legislation or in the practice of the service.

Mr. CHEVRIER: I see on Page 3, of the Bulletin of the Civil Service Association that a National Council should be formed for the following purpose, to serve as a Board of Appeal, to deal with matters relating to the service of the employees as enumerated in Paragraph 5. Does that mean that after a recommendation has been made after the Civil Service Commission has passed upon it and given a decision, the Board of Appeal should then have the power to overrule the Civil Service Commission or any other body which has had anything to do with the opening up of the classification or promotion? Is this Board to be over and above the Civil Service Commission, and is its decision to be absolutely final?—A. No, sir. The point is this; in any of these matters referred to the Board of Appeal, the Board of Appeal is composed of the National Council, and the National Council is supposed to have a representative on the Commission. There is an independent Chairman representing the Government, a man experienced in commercial life, and one or more representing the civil servants. If they deal with questions brought before the Board on the appeal of the civil servant, and the civil servant can prove that on the strength of incorrect information furnished the Commission a mistake has been made by the Commission, giving promotion to the wrong man, they will have the power to recommend to the Commission that the decision be reversed. They do not want to take away any power from the Commission, but they want their decision to supersede a decision wrongly given.

Q. We now have the Civil Service Commission as it stands. Suppose that Mr. A. or Mrs. B. is dissatisfied with the classification from Clerk Grade 3 to Clerk Grade 4, and if Councils are constituted in the way suggested in Paragraph 4, or in the manner in which they should be constituted, and if the Civil Service Commission said that Mr. A. or Mrs. B. should be a Clerk Grade 3, do I understand that there would be an appeal from the Civil Service Commission, an individual appeal to the National Council; is that what this means?—A. I do not quite understand you.

Q. I mean, who would be the one to decide that the case is one that ought to be brought up for appeal?—A. The matter would be referred to the Departmental Council.

Q. After the Civil Service Commission had passed upon it? If that procedure were followed out it might take a couple of years before the ends of justice

[Mr. W. J. Callaghan.]

were met. I do not want to stifle any process by which a civil servant would get justice, but it seems to me that if the Civil Service Commission decides that Mr. A. is entitled to Grade 2 or Grade 3, and if the Departmental Council says he has the right of appeal, or that he has not the right of appeal, it means a whole process of procedure. If the Departmental Council decides that he has the right of appeal, it would then go to the Board of Appeal. I would like to see a more simple process, or to have a finality somewhere?—A. When a person goes from Grade 2 to Grade 3, an investigator is sent from the Civil Service Commission to look into his work, and if he makes a report which is not fair to the civil servant, the matter is taken up further.

Q. If they classify Mr. A. to a certain grade, an organizer from the Civil Service Commission reports and says he ought to be in Grade 3, for instance?—A. Yes.

Q. Then what happens?—A. If the thing is turned down, or if there is any employee entitled to Grade 3 but is refused, he should have the right of appeal to some person. We are only asking for the National Council, at this juncture. If evidence can be adduced to the Civil Service Commission, to prove that this man is justified in doing what he is doing, the Commission will be perfectly willing to reconsider the matter and give a decision.

SIR GEORGE PERLEY: Do I understand that you are only favouring a departmental council, or is it the National Council? Are you in favour of establishing the National Council first?—A. Yes.

Q. Then working downwards?—A. Then working downwards.

Q. Not starting by the building up of Departmental Councils and moving up?—A. A National Council must first be established, and it must see that the Departmental Councils are established, and when they are well established they can act as a clearing house for matters for the National Council. We are all anxious that injustices should not exist, and we should find out whether the present method does not, on the whole, work out pretty well.

Q. I understood you to say that there were 500 appeals or grievances during a period of two years, out of which they found that one half had no basis in fact. With regard to the other half, the 250, I would like to know whether the association dealt with those 250, and how they brought them before the Civil Service Commission for their consideration and whether the Civil Service Commission dealt with them, on the whole, fairly?—A. I think I can truthfully say that the Civil Service Association have no right to consider personal appeals, they have no right or privilege to present them to the Civil Service Commission, and it is only in extreme cases that they take that step. The legislative provisions are such that the civil servants are prevented from taking anything up with the Civil Service Commission, and it is only in extreme cases that any action is taken. We have to put up with the situation as it is.

Q. I understand that you have a grievance committee? Those 250 cases came before that committee and they were able to clear most of them up. In what way was the association able to get them dealt with, on the whole fairly, as I understand you to say?—A. They were just dealt with individually. The situation was explained, and in most cases the person was told that there was no procedure whereby action could be taken. The chairman personally tried to do the best in his power to assist.

Q. Am I wrong in understanding that you said a while ago that you were able to get the majority of those cases dealt with fairly?—A. That is correct.

Q. In what way? By whom, and in what way?—A. Some of them were in connection with heads of the departments, some of them in connection with the Civil Service Commission, and some of them in connection with the Deputy Ministers.

MR. WOODSWORTH: Do you mean to say you have no right to go to anybody?—A. I think I am right in saying that we have no right to go.

Q. As individuals?—A. Yes.

Q. Have you a right as an association to go?—A. It is not in print.

The CHAIRMAN: You take it for granted that you have?—A. Yes, sir, an established custom.

By Mr. Woodsworth:

Q. Out of the 250 cases, how many were dealt with in what you would consider a satisfactory way?—A. I have no figures with me, but there were quite a number of them that worked out satisfactorily through time. A lot of them adjusted themselves through time but I have no record of them. Action was taken where it was absolutely necessary.

By Mr. Ross:

Q. You explained to this Committee that that was the only procedure that could be taken, and they were satisfied with your explanations?—A. Yes, sir.

Q. That was the way a good many of them were satisfied?—A. Yes.

Q. You were satisfied nothing further could be done?—A. No. Are there any further questions? I know there is another feature, in regard to recommendations, that this National Council should deal with matters generally affecting the service, not only in an advisory capacity, because these matters are matters which arise purely within the prerogative of the Government, the Civil Service Commission, or regulations of the Civil Service Commission. This would cover such matters as the discussion of regulations affecting the Civil Service examinations, proposed legislation, and matters referred to the Governor-in-Council, and also the practicability of suggestions of the employees, with the idea of greater efficiency in the discharge of their duties to the State. These are matters of general interest which the Civil Service feel should be considered by some authorized body, particularly regulations that become effective, so that complaints would not be made after the regulations were in force.

The CHAIRMAN: Did you get your question cleared up, Mr. Perley?

SIR GEORGE PERLEY: I think so. I think if this witness has the figures, it would be of interest to know how many cases there have been in the last two years. I do not mean that the names should be given, but how many cases there have been, in the last two years, of grievances that have been submitted to the Committee, and how many were not fairly considered and dealt with. I think it is far more interesting to know how many there are really who are not fairly dealt with in the judgment of the Association.

MR. CHEVRIER: Not only with reference to the Civil Service Association but also the Federation. I would be delighted to know. I have a good idea personally of a number of cases where dissatisfaction reigns apart from the 500 the witness has stated.

By the Chairman:

Q. Could you give it to us later on, Mr. Callaghan?—A. I would like to be more specific, and look into the matter and review the cases, and have more specimens. I have had as many as three telephone calls in an afternoon, in regard to particular grievances. I have looked into all of them, and found out I could do nothing with some of them, and I let them stand.

MR. WOODSWORTH: The fact is these were individual cases, and all you could do was to tell the people nothing could be done.

[Mr. W. J. Callaghan.]

Sir GEORGE PERLEY: I would like the witness to say whether an investigation committee, or a grievance committee have studied this thing, and how many have they dealt with in a fair and satisfactory manner.

Mr. McMILLAN: I would think some kind of action would be taken, but I think we should have some further information. Has the witness some idea of educating the group and not the individual?

WITNESS: The National Council is supposed to act as a court of appeal.

By the Chairman:

Q. Would you let us have a statement at some other time?—A. Yes.
Witness retired.

GEORGE R. L. MACINNES called and sworn.

By the Chairman:

Q. What is your position?—A. Head Clerk, Department of Indian Affairs.

Q. Just explain to the committee briefly, what you have to say on this subject?—A. Mr. Chairman, and gentlemen, I am representing the Civil Service Federation of Canada, which embraces the Civil Service Association of Ottawa, whose president you have heard, and we also embrace some 18 affiliated Civil Service Associations in Canada. Our organization is interested in Civil Service affairs. This matter was before our convention in 1919, and it will be seen the matter has been before the Civil Service through our organization. The English Civil Service Council was established in 1919. I would like to speak of one or two outstanding features in connection with our policy that are being overlooked. In the discussion this morning, the Civil Service Council has been treated primarily as an appeal board, or a grievance body. I do not think that is the main idea we have in view. Speaking broadly, I think our main purpose in proposing the Civil Service Council is to formulate ideas with regard to Civil Service affairs, and to provide a sort of clearing house for the exchange of views as between the various authorities concerned, in relation to Civil Service affairs and employees. I refer to the Deputy Minister and the Civil Service Commission and our own organization. Perhaps I might be permitted to read the scope and functions of the Council as we view them from the point of view of our organization. Before reading them, I would like to refer to our recent activities on the subject. More than a year ago, we had a convention at which we discussed these various matters in connection with Civil Service Councils. At the convention we all agreed on the principle, here set forward, with no dissenting vote. I think one organization did not vote at all on the subject.

The policy we adopted was as follows:—

1. That this Federation in convention assembled should reiterate its stand in favour of the establishment of Civil Service Councils, composed of representatives of the Government and Civil Servants.

2. That as a preliminary step toward the establishment of such councils, the Government be requested to appoint a committee to draft a constitution for a National Civil Service Council.

Some of our organizations have given consideration to that question.

3. That the Government be requested to have the said Committee composed of fourteen members, seven of whom are to be named on behalf of the Government, and seven to be named as representing the various Civil Service organizations.

4. That the Government be requested to take action as expeditiously as possible after the afore-mentioned committee shall have reported.

[Mr. G. R. L. MacInnes.]

5. Your Committee further recommends that the functions of the National Civil Service Council should embrace the following:—

- (a) Consideration of questions of remuneration of classes common to the Service.
- (b) Provision of the best means of utilizing the ideas of the staff.
- (c) Means for securing to the staff a greater share in the determination of the conditions under which their duties are carried out.
- (d) Consideration of general principles governing conditions of service.
- (e) Encouragement of the further education of Civil Servants.
- (f) Improvement of office organization.
- (g) Proposed legislation so far as it has bearing on the Civil Service.

6. The Committee would suggest that the executive be instructed to prepare a memorandum on the matter of Civil Service councils, to be circulated to all Civil Service organizations.

That was the policy adopted by the Civil Service Federation of Canada in convention in 1926, and confirmed by subsequent conferences of the Federation.

By Mr. Woodsworth:

Q. Could you give us any idea as to the number of Civil Servants in Canada, and the number represented in your organization?—A. It is rather hard to estimate that off-hand. It is set forth in the Labour Gazette. You have heard Mr. Callaghan, the president of the Civil Service Association say, that this year the membership would approximate 5,000. In addition to that, there are other organizations, and I have been advised by the Dominion Secretary of the Customs Association that their membership constituted about 2,000. Also there is the Public Works organization, and I have been advised that their membership stood at about a thousand. I find that we have from twelve to fifteen smaller organizations with memberships that we are not familiar with in our executive.

Q. I would like to know how far this organization really represents the body as a whole.—A. Beyond our organization, these questions were brought up and discussed by outside organizations not affiliated with the Federation, and these outside organizations would be composed of some 3,000. That includes the Amalgamated Civil Service, and various others. I would say, roughly speaking, that the organized Civil Service represent about half of the whole, possibly better than that. I am trying to be conservative.

Q. About what attendance had you at the Convention?—A. We had representatives from some eighteen organizations at the Convention, and they took part in the conferences. There were representatives present from every part of Canada. We held the last convention two years ago, and the next one will be held this year. It is two years since we had the last one. I would like to point out if I may, that our idea is to get the Civil Service organization on a basis to be proud of. It is not the idea of the organization to set up a body especially for the purpose of settling disputes with regard to remuneration and so on. It is true the question of remuneration, naturally is of importance, and of vital importance, but as I say, the ideal is to make the Civil Service something to be proud of, and it is our idea to have the welfare of the service in the minds of those who belong to our organization, and that was formulated in these proposals, because those who formulated these proposals are idealists and progressive people, who have in mind the structure and development of the service.

The CHAIRMAN: Are there any questions which any member wants to ask?

[Mr. G. R. L. MacInnes.]

Mr. WOODSWORTH: I do not know whether we shall have the opportunity of having Mr. MacInnes present when we are discussing the Bill in detail. Each clause will have to be dealt with.

Sir GEORGE PERLEY: I would suggest that it would be advisable to have some gentleman present to advise us.

The CHAIRMAN: We should have the heads of the organization. It is important that those concerned should be present, and have a voice in connection with the legislation. We should hear what they have to say.

Mr. LETELLIER: It might be a good thing to put it back to a subsequent date to find out what the witness has to say as to how the matter now stands.

By Mr. Letellier:

Q. Have you looked over the Bill?—A. Yes.

Q. Have you the same opinion as Dr. Skelton and Mr. Callaghan?—A. Yes.

Q. Is your opinion the same as theirs in connection with the formation of a National Council as a board of appeal?—A. Yes.

Q. A Federal Appeal Board?—A. I am not quite sure I understand the question. Our policy is the formation of a National Civil Service Council. It would not work the same as a Federal Appeal Board. It would take about the same form.

Q. The way you would have it would be to have the National Council act as an appeal board?—A. I would not like to answer that question definitely.

By the Chairman:

Q. You spoke about the National Council dealing with ideas?—A. Yes, constructive ideas, and with Civil Service problems of a national character. We prefer to leave it to the Parliamentary Committee to go into the Bill.

Mr. WOODSWORTH: I appreciate the point of Mr. MacInnes as to having the Council deal with matters of interest. But I have Civil servants coming to me all the time with grievances.

WITNESS: I would be sorry to see the National Council degenerate into a grievance council.

Mr. LETELLIER: It would be a good thing to ask the present witness to hold himself in readiness for the next meeting.

The witness retired.

The Committee adjourned until Thursday, March 8, 1928.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2—MARCH 8, 1928

WITNESSES:

Mr. Fred Knowles, Vancouver, President of the Amalgamated Civil Servants of Canada.

Mr. D. Roy Cameron, President, Professional Institute of Canada.

Miss Jane McInnes, First Vice-President, Civil Service Association.

MINUTES OF PROCEEDINGS

THURSDAY, March 8th, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day at 11 a.m.

Mr. McIntosh (The Chairman), presiding.

Present: Miss Macphail, and Messieurs Bell, Bissett, Chevrier, Church, Grimmer, Howard, Jenkins, Letellier, Neill, Sir George Perley, Ross (Kingston City), St. Pere, Thorson, Woodsworth—16.

Minutes of March 6th, read and approved.

Mr. Fred Knowles, Vancouver, President of the Amalgamated Civil Servants of Canada, called, sworn, and examined. Witness retired.

Mr. D. Roy Cameron, President of the Professional Institute of Canada, called, sworn, and examined. Witness retired.

Miss Jane McInnes, First Vice-President of the Civil Service Association, called, sworn, and examined. Witness retired.

On motion of Mr. Chevrier,

Resolved: That Mr. V. C. Phelan, and Mr. J. H. Ryan, Secretary of Civil Service of Canada, be requested to attend the next sitting of the Committee.

The Committee adjourned until 11 a.m., Tuesday, March 13th.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

ROOM 429,

HOUSE OF COMMONS,

OTTAWA, March 8, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: If the members of the Committee will now kindly come to order, we will have read the minutes of the last meeting. (Minutes read and confirmed.)

Mr. Knowles of Vancouver, the President of the Amalgamated Civil Servants of Canada, was to be here this morning; if he will come forward, we will administer the oath to him and will then hear his evidence.

FREDERICK KNOWLES called and sworn.

By the Chairman:

Q. What is your name in full?—A. Fred Knowles.

Q. What position do you hold in respect of the Civil Service?—A. I am a letter carrier.

Q. Will you just give your story in brief to the Committee? Then the members of the Committee will be in a position to ask any questions they may deem necessary. —A. Mr. Chairman, and gentlemen, our organization represents 3,200 Civil Servants. That is the fully paid-up membership for the month of February, 1928. Since that time we have increased our membership by establishing locals in Halifax, Toronto, and Montreal, adding to our membership not less than 300 members. We take into membership any employee of the Dominion Government that has been employed at full time for a period of not less than six months, and we are organized into Councils. As a matter of fact, we are in a position in Western Canada to-day to take full advantage of any legislation along these lines, because we are organized by departments. We already have, in Western Canada, local councils in every city, as far as the staff side is concerned.

As was stated to you by Mr. MacInnes, our organization was a party to the findings of the Conference in respect of Service Councils, and I think it is only right, in view of the fact that Civil Servants are asking for Service Councils, that they should give you some idea as to why they are asking for Service Councils, as the first means of bringing the matter forward. We are not advocating Service Councils as copyists of Great Britain; we are asking for Service Councils because of conditions as we find them, and for no other reason. For instance, we find in the Public Works Department of this country that there are temporary employees who have been thirty-three years in the service and permanent employees who have been only thirty-three weeks in the service, doing the same work, in the same building. We find temporary employees who are receiving higher than the maximum salaries, and we find permanent employees who can never attain, under the existing legislation, to the salaries some of the temporary men are receiving. On the other hand, the

[Mr. Fred Knowles.]

permanent man is entitled to superannuation, to the benefits of it; he is also entitled to participate in Civil Service superannuation. The temporary employee is debarred from both, a condition which I think every one will admit is not conducive to the welfare of the service, the servant, or the public, because employees working under such conditions are continually at logger-heads and some method should be advised by which these things can be straightened out. We have taken the matter up with the Civil Service Commission, and they say they can do nothing, on the authority of Dr. Roche. We took the matter up with the department, and were told that they were in the same position.

Q. In the meantime what?—A. That is not the only thing. We have the question of the eight-hour day. In Ottawa the eight-hour day is looked upon as something we already have, but outside the city of Ottawa it is not an established affair. We go to the various heads of departments on the question of the eight-hour day. Take for illustration the Customs Department. If we go to the head of the Customs Department he tells us it is a question of governmental policy; if we go to the Government, we are told that it is a matter of provincial policy, and when we go to a provincial government we are told that they have no jurisdiction over the hours of labour of federal employees; so we are swung around in a circle. I thought I might give you an illustration along that line.

We are not asking for these things, as I said before, either as faddists, or as copyists of Great Britain. I might also say that you have, in the Department of Justice, men employed in the penitentiaries as penitentiary guards. We find that they are prohibited from even belonging to an organization of Civil Servants. I grant that they are a semi-military body, yet we find that their classification is as civil servants under the Civil Service Act. Those employees have no means of redress in anything they may bring forward. In the Post Office Department we find in respect of salaries, that the departmental heads recommend a certain amount of salary, or they are satisfied after consultation with the staff side to give a certain amount of salary; yet we find the Civil Service Commission gives less than the department itself is prepared to pay. That is the reason for Service Councils in our opinion. We think a National Service Council should only have as its scope things National; we do not think any National Service Council should take in local matters. We claim there should be local councils as well as a National Council. The local council could assist very much in increasing the efficiency of an office, irrespective of the department in which it has been established; it could make suggestions to the administrative side for the betterment of the service, as well as for the department and the servant. I think you will find, if you will study the Baltimore and Ohio plan, which is a plan operated by railway employees at the present time, and which originated on the Baltimore and Ohio Railroad, that councils of that nature are of very definite assistance to both employer and employee.

I would now like to speak for a moment or two on the Bill. We are in favour of Clause 1 of the Bill. That does not speak of anything except that the Civil Service Act shall be amended. We are also in favour of Section 8-A. We are also in favour of Clause (2) of Section 8-A. Clause (2) is necessary because of the multiplicity of the organizations within the Civil Service of this country. As an organization we deplore the fact that we have more than one organization in the Civil Service of this country; we think one should be sufficient for all of us, that it would be better for us, better for the Government, and better for the public as well.

I do not think there is anything to debate in Clause (3) of Section 8-A, nor in Clause (4). Number (5) says: "Organization, scope, functions, and administration shall be agreed upon at the first meetings of the national council and confirmed by order in council."

We are in favour of that clause.

- (6) Departmental councils shall be formed to deal with purely departmental matters. Organization, scope and administration of the departmental councils as well as the allocation of functions as between the national and departmental councils shall be agreed upon by the National Council and confirmed by order in council.

We are in favour of that.

- (7) There shall be a board of appeal, composed of three members, for Civil Servants against suspension or dismissal from the service, or against claims of unjust treatment within the departmental jurisdiction. The official and staff sides shall each nominate one of its members to fill two places on the Board. These two shall endeavour to agree upon the third member of the Board. Failing such agreement, the Governor in Council shall select the third member, who, in this case, shall be any one of the several judges of the Supreme Court of Canada, or of any of the Supreme Courts of the Provinces. The hearings of the Board shall be open to the public and its decisions shall be final.

My conception of that clause, speaking on behalf of our organization, is that that Appeal Board is purely and simply a local Appeal Board and nothing more. It means, as I understand it, that if John Brown, of the city of Prince Rupert, or any other city, has been summarily dismissed from the service and desires to appeal against his dismissal, this National Council would instruct the local Council in that particular locality to form such an Appeal Board to deal with a case such as that, and there would not be a definite and permanent Appeal Board except for cause. That is my conception of the meaning of an Appeal Board. I do not know what Mr. Woodsworth's conception of it is, but that is mine.

Q. Wherever there is a grievance there will be a Board?—A. Where a man had some grievance that he could appeal against (I do not know of many cases) an Appeal Board could be formed for that purpose, but not an Appeal Board against the decisions of the National Council. I am of the opinion that the National Council should take in representatives of the departmental side, representatives of the Civil Service Commission, and members of the staff side, and that all decisions of that National Council on national problems should be adopted, subject to the Governor in Council. That is what I think. I do not think there should be an Appeal Board for the findings of the National Council, outside of the departmental heads, the Civil Service Commission, and the staff. The only Appeal Board should be the Dominion Cabinet.

By Mr. Chevrier:

Q. On appeal from what?—A. There would be no appeal from the findings from the National Council, the National Council being composed of representatives of the staff side, the Civil Service Commission, and the Government side.

Q. But it says an Appeal Board of three members?—A. I have told you what my conception of an Appeal Board is, but I am not in favour of an Appeal Board of three people overriding the findings of the National Council on a national problem. My idea of the Appeal Board is that it shall act in cases such as I have specified.

By Mr. Neill:

Q. Is the Appeal Board, provided for in the Act, to be under or above the National Council?

The CHAIRMAN: Under the National Council.

[Mr. Fred Knowles.]

By Mr. Neill:

Q. If it is below it, there will be a further appeal to the National Council?—
A. I will restate my opinion. If John Brown, of the city of Ottawa, has been summarily dismissed from the service, and if he feels that he has not been treated fairly, and has asked that his case be appealed, the procedure would be that in the city of Ottawa, or in the place where Brown is located at the time of his dismissal, you take a member on the staff side and a member of the administrative side which is responsible for the man being let out, and they try to come to an agreement as to a third party. If there is no agreement, then it must be a Supreme Court judge. The decision of the Appeal Court in that case, in my estimation should be final and binding upon everybody.

Q. Did you not say, Mr. Cameron, that that Appeal Board should be National, and that there should be no appeal from the National Council?—A. You are getting confused between a National Council and a Local Council. A National Council deals with affairs nationally; a local council deals with things locally. My interpretation of an Appeal Board is, as I have just stated, as it is stated in part of this Bill. Outside of what the scope of your local council shall be, it shall have a certain scope, a certain function, and naturally these local councils shall be subordinate to the National Council.

Q. Its decision would be subordinate to a decision obtained from the National Council?—A. The National Council shall state at its first meeting what the scope of the local council shall be, and a local council will have to operate according to the laws laid down.

Q. I think it would be as well for us to define their powers, and not leave it to themselves.—A. Are you not satisfied that representatives from the staff side, the Civil Service Commission and the departmental side are capable of bringing in legislation that is fair to all? Should they not have, from their general knowledge, a better understanding of departmental service than members of the House of Commons?

Q. I would suggest that the civil servants submit what they want put into the law, and we can put it in?—A. If we draw up this legislation, we can present it to the Dominion Cabinet for affirmation. What is wrong about that?

By the Chairman:

Q. We want to get all the information we can on this matter, and then draw up a report. We expect action to be taken upon that report, Mr. Knowles. We want that report to be as fair as possible, and as full as possible. The report cannot be what it ought to be unless we get the best evidence we can before the Committee; consequently give us all the information you can give, put it in as pointed a way as you can, and we will consider it.—A. I will try and do that, Mr. Chairman.

By Mr. Jenkins:

Q. Did you say that the local board will have the final decision, and then it will be passed on to the National Board?—A. No.

Q. You say that nothing must be submitted except that decided by the National Board. You said a few moments ago that the local board would be final?—A. A Board of Appeal would be set up only as the necessity arose.

By the Chairman:

Q. I think you are getting the local councils mixed up with your Board of Appeal?—A. I am not getting mixed up at all; it is the other fellow that is getting mixed up. I will give you an illustration of what I mean, if you like.

[Mr. Fred Knowles.]

By Mr. Chevrier:

Q. Suppose we proceed and take the Bill as it is and criticize it. Let us take the sections as they are. Take Section 8-A, which you accept. Has this been conceived for the purpose of satisfying the Civil Servants? Let us see what they want. 8-A says: "8-A (1) The Governor in Council may establish for advisory purposes (a) national,"—Are you in favour of the establishment of a National Council?—A. Yes.

Q. "(b) Departmental councils which shall each be composed of an equal number of chief government officials and representatives of the Civil Service Employees to be known as 'the official' and 'staff' sides." Are you in favour of that?—A. Yes.

Q. "(2) The National Council shall be composed of nine members on each side?" Are you satisfied with that?—A. Yes.

Q. "In the case of the official side, the members shall be appointed by the Governor in Council from the principal officials of the departments." Are you satisfied with that?—A. That is all right.

Q. "In the case of the staff side they shall be elected by the different Civil Service Associations," are you satisfied with that?—A. Yes, sir.

Q. Just there, do you realize what the difficulty would be, the difficulty of the Civil Service Association having adequate representation?—A. I fully admit that that is the fault of the Civil Servants themselves. As far as the National Council is concerned, we are organized in a manner that we could to-morrow elect our quota to that Council without any conflict.

Q. "Civil Servants shall be allowed free choice in the form of organization adopted and the same may be on either a federal or amalgamated basis." Does that in any way change your present status? Have you got the right to do that or have you not got that right?—A. Yes, we have the right to do that now.

By Mr. Woodsworth:

Q. If I may interrupt you? Would the witness explain the difference between the Federated and the Amalgamated Association?—A. Well, as far as the amalgamated civil servants are concerned, we are one organization. That is to say, we have one set of National officers and we have one common treasury, irrespective of the occupation of the individual; and we are organized in this manner: We have a Post Office Section, a Customs Section, a Public Works Section, and so on, all the way down through the various departments of the Government. Now, the Post Office workers have autonomy on their own affairs. That is to say, anything pertaining to the Post Office is governed by the men working in the Post Office. Anything pertaining to the Customs is taken up by Customs' men for Customs' men and their decisions on customs matters are final and binding. We have also a local council in each city comprising a delegation from each departmental group. That is, two representatives from the Customs, the Post Office, the D.S.C.R., and so on, irrespective of the size of the personnel of each staff; and those councils take up all matters in respect of, or common to all, such as the various council problems, superannuation boards, or any matters concerning the Civil Servants as a whole. Now, that is the way we are operating, and seriously, we think the Civil Servants of the country should be organized in like manner, to run their business efficiently from their own viewpoint. Now, a Federation is a loosely connected organization of organizations. That is to say, you have a number of organizations, each with a president and secretary, and they are loosely connected together, and sometimes antagonistic too.

[Mr. Fred Knowles.]

By Mr. Chevrier:

Q. Now, does not that system of associations under the Civil Service Act work out somewhat as the Provincial governments and the Federal Government work out? They have their own peculiar local interests, and you have not yet found a means of getting an expression from the whole Civil Service as one Service?—A. Exactly.

Q. Now, to go on with Section 2, the distribution of seats on the council to be settled at a joint conference of all Civil Service associations. Are you in favour of that?—A. Yes, sir.

Q. Can you realize the difficulty of getting a joint council of all the Civil Service organizations?—A. We did it once; why not again?

Q. Of all the organizations?—A. Yes. The only people who have to pay the piper are the chaps from the West, who have to pay our expenses to come down here. The others do not have that burden.

Q. Now, terms of office, I think we can pass that over, and pass on to departmental councils, subsection 6. How would those councils be organized, and for what purposes?—A. Well, the local councils would be organized for the purpose of taking up questions that were only pertaining to that particular locality.

Q. No, just a moment. This is Departmental Councils, and not Local Councils, if you look at the Bill?—A. Well, all right; you could have in the Post Office Department, for instance, a representative or two, according to what is decided, with the departmental side. We would take up with the head of the Post Office Department, for instance, in the city of Vancouver, the question of the better administration of the office.

Q. These are the broad lines. Now, did you work that out in connection with, or having in mind, the present Civil Service law, the functions of these departmental councils on matters of purely departmental business, how could they function with the present Civil Service Law where the Civil Service Commission has the final word?—A. Well, now, I do not know just exactly what you mean.

Q. Supposing that the Civil Service Commission, which is the recognized authority to-day, decides that Mr. so and so is not entitled to promotion in a particular department, and he has a grievance thereby? The Departmental Council goes to one of the officers of the Department, and one of the officers selected by the Civil servants; would they argue this thing out, and find out whether there was any grievance?—A. I would say the Departmental Council should act quicker than that, that when a vacancy or promotion was going to happen in the office of the city of Vancouver, that the Departmental Council comprising the departmental and staff side should go into the question of the best one for the position before any one is recommended at all to the Civil Service Commission.

Q. Do you realize the conflict that arises between that and the present Service Law? Not that I am in any way criticizing it?—A. No, I don't. If there is a vacancy in the City of Vancouver, or a promotion in the City of Vancouver, and certain men apply for the position, and they are rated, they are not rated by the Civil Service Commission, they are rated by the local administration according to the merits of the case. Now, I say that that should be done in the local Councils.

Q. By the Departmental Council?—A. Yes. And it would be a safeguard, and would protect the Civil Service Commission in lots of instances.

By Mr. Neill:

Q. How often would they meet?—A. When the necessity arises.

Q. Every time there was a vacancy?

Mr. CHEVRIER: Every time there was a grievance.

[Mr. Fred Knowles.]

By Mr. Neill:

Q. A Canadian wide council to meet every time there was a vacancy?—
A. No.

Q. It must meet from eastern Canada to Prince Rupert, must it not?

MR. CHEVRIER: No, the Departmental Council—as I understand the witness to mean—would be in the Post Office in Vancouver; a Departmental Council in the Post Office.

WITNESS: Exactly.

By Mr. Chevrier:

Q. And a Departmental Council in Vancouver for the Customs?—A. Yes.

Q. And a Departmental Council in Halifax for the Post Office?—A. Yes.

By Mr. Neill:

Q. That is a local council, but if it is to deal with the Department, it must deal with the whole of the Department.

MR. CHEVRIER: A local Departmental Council is what the witness advocates.

WITNESS: Yes, and we could have meetings with the administrative side on occasion, when we saw through our experience as Post Office workers that if a certain thing in the office could be done better so that we could give better service, we could go to our Departmental head and suggest: "Now, look here, Mr. Harrison, we think if you did this thing in this manner," and we could show that the efficiency of the service might be improved through a suggestion from the staff side, who have the experience, why shouldn't we?

By Mr. Neill:

Q. Do you not do that now?—A. Well, we have no organized method of so doing.

Q. Is there not an amalgamated society, of which there is a representative to deal with these things?—A. To deal with what things?

Q. Is there not an amalgamated society of Civil Servants?—A. There is, in western Canada.

Q. And you are the representative, and you would go and see about it if there was anything?—A. Well, we have made suggestions to our Postmaster on more than one occasion, of means of increasing the efficiency of our service and he has accepted them.

By Mr. Chevrier:

Q. As the law stands now, and as Mr. Neill has asked, supposing you have a representation to make, is there any way under the law whereby your recommendation could be taken care of in that official manner?—A. No, the way it is now, if the Postmaster says "no", that is the end of it.

Q. Now going on to No. 7, there shall be a Board of Appeal. In your estimation, how would that Board function?—A. Well, it states specifically, there shall be a Board of Appeal composed of three members, in case of suspension or dismissal from the service, or claims of unjust treatment within the departmental jurisdiction. Those words confirm to my mind the belief that the intent of that is that it is a local board of appeal against the cases as quoted in this paragraph, and nothing more.

Q. Supposing that is so, I think the best man to explain that will be Mr. Woodsworth, when he brings in his Bill. Now you want, as I understand it, a Board of Appeal whose decision would be final. Do you want that board to be over and above the Civil Service Commission?—A. I want the decisions to be final.

[Mr. Fred Knowles.]

Q. But, wait a moment. According to your system, you would want the Departmental Council to make recommendations to the Civil Service Commission; then the Civil Service Commission would make a decision, and if that was favourable to the applicant, that would be the end of it. But the Government might want to appeal from it. And if the Civil Service Commission made a decision which was unfavourable to the applicant, he would want to appeal, if there was a Board of Appeal. Now, do I understand that from the decision of the Civil Service Commission you would want to go to the Board of Appeal, whose decision would be final and over and above the decision of the Civil Service Commission?—A. I do not understand what you mean really. My position is this:

Q. If you do not understand my question, let me try to make it plain. At present there are in Canada county courts, and courts of appeal, and then there is the Supreme Court of Canada, and then the decision of the Privy Council, and that is the last. Now, starting at the top, there is the Privy Council. Do you want the Board of Appeal to be like that? Do you want a Supreme Court of Canada to represent the Civil Service Commission, and do you want a county court to be represented in a similar way by a local body?—A. The question is, does the Civil Service Commission dismiss the man or does the Department dismiss him, under the present legislation?

Q. I am not here to explain the law. The Minister may dismiss the case; that decision might be taken care of by the Commission or the Court of Appeal, but if you build a court of appeal, will that court of appeal have the right to decide and over-rule the decision of the Civil Service Commission?—A. My contention is that that Board of Appeal's findings shall be final, irrespective of any person else.

Q. Irrespective of the Board of Appeal?—A. Well, when I say final, that is what I mean.

Q. Then we will have to take it as the law is now. Just a moment ago you stated that you had a number of grievances and that nothing could be done to help you out?—A. Yes.

Q. That you had seen Dr. Roche and that the grievances of which you complained could not be remedied. I understood you to say that that was because of the existing legislation. Now, if there are any defects in the existing legislation, which are detrimental to the interests of the Service, you can point them out? Can you say in what way that legislation is detrimental?—A. Well, in the case I illustrated, and it is quite recent in my mind, we have been complaining for some period of time over this position in the Public Works Department, of men being thirty-three years permanent, and other men being thirty-three weeks temporary, and vice versa. Now, we go before Dr. Roche and he tells us nothing can be done because the blanketing laws have expired, and there is no means except through the blanketing laws whereby these men who are temporary can be made permanent.

Q. That is in your opinion one defect in the present legislation, in the present Civil Service law?—A. Sure.

Q. And those who are charged with the administration of that law, must administer it as they find it?—A. Exactly.

Q. Whilst you are on that, are there any other defects in the present law along similar lines, not to go out of the scope of this inquiry; are there any other defects existing in the present law that you would like to see bettered, for the better interests of the Service?—A. Well, seriously, I am not very well posted on Civil Service law; I admit it; I am not. What we do find is that when we take grievances that we feel are justifiable, we hit up against a stone wall in some form, either through the head of the Department not being willing to acquiesce, or through what I choose to call "a game of battle-dore and

shuttlecock" between the head of the Department and the Civil Service Commission.

Mr. Ross (Kingston): Before the witness sits down, there is one question I would like to ask in regard to dismissal. He says there is some doubt as to dismissal. Who dismisses? The Civil Service Commission, or the Department?

WITNESS: I have always been of the opinion that the Postmaster in the city of Vancouver could dismiss me from the service for cause at any time.

By Mr. Ross (Kingston):

Q. Whether you are a permanent Civil servant or not?—A. Yes.

Q. Or could he only suspend you?—A. He suspends me with a view to dismissal, and I think I could then be let out by my Department without reference to the Civil Service Commission.

Q. Have you known of such cases?—A. I have known lots of men to be suspended, and taken back.

Q. By the action of the Civil Service Commission?—A. I do not know by whose action, but I have known men suspended indefinitely, and then the suspension has been lifted.

Q. Here is a Civil servant and I do not care whether you call him suspended or not, but he is dismissed by the Department, and I understand without any reference to the Civil Service Commission.

By Mr. Chevrier:

Q. Is it not a fact that the only way of dismissing the employees from the Service is upon the Minister making a recommendation to the Council and the Council agreeing to that, and then the employee is dismissed?—A. Oh, yes, I think so.

By Mr. Ross (Kingston):

Q. Then there is not much use of his going to the Civil Service Commission?—A. No.

The CHAIRMAN: Any other questions from Mr. Knowles?

Mr. NEILL: I would like to suggest that Mr. Knowles' official position be given. He is only put down as an individual letter-carrier, but he is an official here, representing a body of Civil servants.

By the Chairman:

Q. You are president of the Amalgamated Civil Service Association?—A. Of Canada.

Q. That organization covers all parts of Canada?—A. We are fairly solidly organized in western Canada.

Q. What do you include in "western Canada?"—A. Including Fort William and Port Arthur. We have branches in Nanaimo, Victoria, Vancouver, New Westminster and Vernon, British Columbia; Lethbridge, Calgary, Edmonton, and Medicine Hat, Alberta; Regina, Saskatoon, North Battleford and Prince Albert, Saskatchewan; Fort William and Port Arthur, Ontario; and we have a branch in Toronto; another in Montreal, and one in Halifax, Nova Scotia.

Q. What about the other end of Saskatchewan. Have you one down in Weyburn?—A. No, they are not large enough.

By Mr. Jenkins:

Q. Have you one in Brandon?—A. Yes, I forgot to mention Brandon, and Portage la Prairie. We have only recently attempted to start in eastern Canada, and we have organized, in the last two weeks, branches in Toronto, Montreal and Halifax.

[Mr. Fred Knowles.]

By the Chairman:

Q. What is your present membership?—A. We count our membership by the number of men actually paid in that particular month. We had 3,200 paid-up members in February, and our membership has increased about 300 since.

Q. So you have about 3,500?—A. Yes.

By Mr. Jenkins:

Q. Are you working in conjunction with the Civil Service organizations, or over and above them?—A. No, we are not over and above them at all. We do not want to be over and above them.

Q. I want to get that clear?—A. We have in this country a large number of organizations in the Civil Service.

Q. About how many?—A. There are too many to enumerate. I cannot remember them all. We organized in the first place for the purpose of uniting the Civil servants of this country into one organization. We speak for our own people only, but we think it is better for the people of Canada and the country as a whole, for the Civil Servants to be organized in such a manner that they will know definitely what they want, and why they want it.

By Sir George Perley:

Q. In the matter that the witness was speaking of a while ago, in connection with departmental councils, do I understand that Mr. Knowles advocates a departmental council for each department in every town in Canada? In other words, is it the idea that if there are twenty departments in Vancouver, there should be twenty of these councils, and twenty in Victoria, and twenty in Halifax? Do I understand that that was what he said?—A. Well, why not?

Q. I am only asking the question, to make it clear in my mind?—A. Yes, certainly. Every Department of the Government should have its staff side and administrative side represented, because Canada is a pretty large country, and they could clean up lots of small grievances in those small places without reference to any one.

By Mr. Woodsworth:

Q. In Vancouver, as a matter of fact, how many councils would there be?—A. In our own local council, we have two delegates from each department, and we have a local council composed of thirty-six members.

By the Chairman:

Q. That would mean eighteen?—A. Yes.

By Sir George Perley:

Q. In some places there might be only four or five, but in others such as Montreal and Toronto, there would have to be one for every department?—A. I would like to point out this: In small cities you would find that it would be quite simple, where there are only three or four men working in the Department of Customs, and three or four in the Department of Public Works, that they could form one council by themselves; because we find from experience that those people in the smaller localities are more or less of a family, and they do not draw the sectional lines half so foolishly as we do in the large cities.

By Mr. Woodsworth:

Q. May I ask one or two questions? First of all, with regard to the fact that we have to recognize that there are two main types of Civil Service organizations, the Federal and the Amalgamated, in practically organizing these,

[Mr. Fred Knowles.]

would there be any very great trouble in deciding how to appoint a national committee?—A. From our viewpoint, no. I think that as far as we in the West are concerned, we would be fairly well satisfied if we could get two representatives on the initial boards from western Canada

By the Chairman:

Q. Do you think that matter could be easily decided?—A. From our viewpoint we are willing to give and take.

By Mr. Woodsworth:

Q. A witness we had at the last meeting, thought that only the National Council was necessary, or at least we should confine ourselves to establishing a National Council at first, and that local councils ought to be a subsequent development. Would you enlarge a little bit upon your viewpoint in regard to that?—A. I think that at the meeting of the National Council when appointed it would be necessary for them to frame legislation to guide the local council, and that local council should be subject to the rules and regulations of the National Council, just as in our locals we are guided by the Rules and regulations laid down in the Constitution. Let the National Council formulate Rules and Regulations and let the local councils abide by them.

Q. You think that our present legislation should provide for the formation of National Councils?—A. Yes.

By the Chairman:

Q. You think you should work down?—A. Yes, we should work down. If you started from the locals, it would be harder to get along.

By Mr. Neill:

Q. If I understood you, you said you would be satisfied with the establishment of the National Council and would leave the establishment of the local councils for some future date; you do not agree with that?—A. No.

Q. Would it meet the objection you raised to No. 7 regarding the Board of Appeal, if we put in some such phrase as that there should be provision for local boards of appeal?—A. Well, when occasion warrants, not permanent boards of appeal, but when occasion warrants. We might never need one.

Q. That Board of Appeal would be a kind of local arbitration court, in your judgment?—A. Exactly.

By Mr. Chevrier:

Q. I understand the word appeal to mean something by way of appeal from unjust treatment within the department's jurisdiction?—A. Yes.

Q. Do you not think that that goes very far? Take this, for instance; how often does that occur, or how often has it occurred within your knowledge, in the post office at Vancouver that there was a grievance from the recommendation of the departmental officers as to promotion, suspension, or any other matter in the department? How often would those departmental councils be asked to function?—A. I will give you an illustration, the first that comes to my mind. Suppose a letter-carrier in the city of Vancouver—

Q. Take within the last year; supposing this departmental council had been established in the City of Vancouver, in the post office there, how often would it have been asked to function; in how many cases, how many times?—A. In the case of a dismissal, none.

Q. Because that is not a departmental matter. But in the case of a promotion, which is purely a question of departmental rating, or changing one officer from one kind of work to another kind of work, where the departmental head is

[Mr. Fred Knowles.]

responsible for it; how often does that occur? How many grievances have happened during the last year, to your own knowledge?—A. I could not tell you that, for the simple reason that having no Board of Appeal, there has been no appeal. I could not tell you how many would have appealed if there had been a Board of Appeal, because I do not know.

Q. Can you tell me how many disgruntled letter-carriers there are in Vancouver?—A. Well, during the last three years, we have had one promotion, one vacancy for a senior letter-carrier's position, with a decision within the last three weeks. We are satisfied that the right man got the job.

Q. So there is no dissatisfaction?—A. There is no dissatisfaction at all.

Q. The rest are satisfied?—A. Well, some men are never satisfied, even when they are treated rightly.

By the Chairman:

Q. You can't tell how many appeals you will have until you get the Appeal Board started?—A. Of course not.

By Mr. Woodsworth:

Q. I want to be clear about the action of the local board of appeal being final. As I understand it, you think, with regard to small cases such as dismissals or that kind of thing that they should be determined locally, that it ought not to be necessary to appeal to some central board at all, and that the work of the National Council would be of a different character altogether?—A. Surely.

Q. It would not have any jurisdiction over local matters?—A. No.

Q. Such as dismissals?—A. That is right, the idea being that the only people who understand the conditions are the people who are putting up with those conditions. It would be impossible for the best men in Ottawa to sit on a case in Halifax or any other part of Nova Scotia. The people of Halifax know the administration of the eastern part, and would be in a better position to give an unbiased judgment there than people living afar off.

By Mr. Chevrier:

Q. But the Civil Service Commission sits in Ottawa for all the nine provinces?—A. Yes, and it is not always successful.

Q. Surely if you can tell us where the difficulties are, they will be rectified. Defects cannot be laid at the door of those who are charged with the administration of the law. Let us be sincere, let us be loyal about it; you cannot place it at the door of anybody who has the administration of the law in his hands, whoever it is?—A. Exactly.

By Mr. Thorson:

Q. There is a weakness in this Bill as drawn, I think, upon which I would like to ask for your suggestions. In the case of the National Council, on the official side, a member shall be appointed by the Governor in Council from the principal officers of the department. There is no provision for any representatives from the Civil Service Commission. Is the Civil Service Commission not to be a party to a council of this kind?

Mr. CHEVRIER: Surely.

WITNESS: I think so.

By Mr. Chevrier:

Q. They are charged with the administration of the law.—A. They are responsible for that.

By Mr. Thorson:

Q. You would include representatives from the Civil Service Department as well as from the other departments?—A. Yes, surely.

By Mr. Chevrier:

Q. As well as on the government side. You cannot help that, that is the law?—A. Sure.

Mr. THORSON: It was not stated here, and I was wondering whether it should be specified that the Interstate Commerce Commission should be one of the parties.

Mr. CHEVRIER: I am not an officer of the department, but I suppose, as a matter of fact, they would have to be included. It might be just as well to include them. Everybody is dispensing the law except the Civil Service Commission, and it might be as well to refer to them as part of the Council.

By Mr. Chevrier:

Q. Instead of having this multiplicity of departmental councils, would you be satisfied in Vancouver to have one departmental council, to look after the whole of the Civil Service; one departmental council to look after the Customs, the Post Office, the Railways, and everything else, just one departmental or district council, instead of having a multiplicity of councils in the way you have just spoken of?—A. I am not so sure of that. I would not want to bind myself down to that prior to consulting with the Executive Board of our organization.

By Mr. Woodsworth:

Q. I would like to ask one other question, with regard to one clause, the last sentence of Clause (2) of Section 8-A.

Any association may nominate as its representative on the National Council, a civil servant who is not a member of such nominating association.

Would that be satisfactory to the members from the West?—A. I am satisfied that if some men in an organization nominate someone who was not one of their members, as they were the people who were to be represented, they would have a license to say who should represent them, no matter who it may be.

By Sir George Perley:

Q. I would like to put a concrete case, something that is happening all the time. A promotion is to be made in one of the departments, and there are two or three men, any one of whom would be eligible for the promotion. Under the present law, as I understand it, the head of the department, or the head of that branch, makes a representation which goes to the Treasury Board, and the man is promoted?—A. Yes.

Q. Either A, B or C, if they are entitled to it?—A. Yes.

Q. A is chosen?—A. Yes, sir.

Q. B and C are not satisfied?—A. No.

Q. I understand you to advocate the setting up of a Board of Appeal, whose decision would be final as to which of these men would get the promotion?—A. Yes.

Sir GEORGE PERLEY: The Board of Appeal would become the department, as far as things of that kind are concerned. They would take the place of the department itself.

By the Chairman:

Q. That is your idea?—A. Yes.

By Mr. Jenkins:

Q. What would you do with the Commission, would you abolish it? That is practically what you tell us?—A. No, I am not asking you to abolish the Commission.

By the Chairman:

Q. You referred to the Commission?—A. As far as our organization is concerned, I will be frank with you. We want every civil servant in the Dominion of Canada under the Civil Service Act. Without exception, we are in favour of the merit system, first, last and all the time, and we are not in favour of anybody working for the Dominion Government who is not under that Act.

By Mr. Neill:

Q. You have stated that in Halifax there might be a promotion?—A. Yes.

Q. A group in the Post Office Department might get together and nominate a man, and their decision would be final?—A. My dear sir, I think I have never yet mentioned the word "promotion". I spoke in respect of dismissals, but I have never yet made a remark about promotions.

Q. You spoke of unjust treatments?—A. I do not want two different service councils in this country; they would develop into nothing else but grievance committees. Better let it alone.

The CHAIRMAN: I think we are through with Mr. Knowles now. I thank you for your attendance here, Mr. Knowles and for the attention you have given to this matter.

Witness retired.

The CHAIRMAN: Our next witness will be Mr. D. Roy Cameron, of the Professional Institute. Will Mr. Cameron please come forward?

D. ROY CAMERON called and sworn.

By the Chairman:

Q. What is your full name?—A. D. Roy Cameron.

Q. What is your position?—A. Associate-Director of Forestry, Department of the Interior. The Professional Institute, of which I have the honour to be president, is an organization of some 1150 to 1200 professional and technical men in the Government service. Of this number, approximately 800 are in the city of Ottawa; the balance is scattered throughout the Dominion. The Institute is organized on the basis of professional groups at Ottawa, and regional groups outside; that is to say, our Ottawa organization comprises groups of architects, geographers, foresters, engineers and so forth, while in the outside groups or regional groups are members of our organization, in whatever way they may be functioning. I have prepared a short memorandum which I will read to the Committee:

Statement for the Committee on Industrial and International Relations

(1) The Institute questions that there is necessity for Civil Service Councils. We believe that the present channels provide an adequate approach to Government. There is a Member of the Cabinet who performs the special function of looking after Civil Service affairs. We have always found this Cabinet representative ready and willing to give his time and consideration to any representations which the Institute has seen fit to lay before him. I might explain here that it is the policy of

[Mr. D. Roy Cameron.]

the Institute not to take up either with the Government or the Civil Service Commission personal cases, excepting in so far as any particular personal case may involve a basic question of principle or policy applicable to the professional service as a body. Many of the members of the Institute occupy administrative positions, and we are quite convinced as an organization of the desirability of allowing personal grievances to be settled through the ordinary departmental channels. There is no grievance committee, as such, in the Professional Institute.

(2) On the other hand, the Professional Institute is not opposed to the establishment of Civil Service Councils. If the Civil Service as a whole desires Councils, and if the Government feels that Councils can be of value in dealing with the Service, the Institute does not object to their creation, provided that in so doing the interest of the Institute members shall be properly recognized and safe-guarded.

(3) The Institute, however, does not approve of the proposal to form one national Civil Service Council, and therefore dissents from the Provisions of Bill No. (4) now before this Committee. Furthermore, the Institute sees grave difficulties in the way of utilizing a national council, if formed, as a board of appeal to redress grievances. As Dr. Skelton advised the Committee at its last meeting the Civil Service Commission has very wide powers. The Institute does not feel that these powers have been abused or that the Commission will condone the perpetuation of injustices in the Civil Service. That many inequalities exist in the Civil Service every one must admit, but the Civil Service Commission is proceeding as fast as the means at its disposal will permit to iron out these inequalities. There have been in the past and still are delays in this connection, but these are, to a considerable extent, inevitable by reason of the magnitude of the tasks confronting the Commission.

(4) The Institute in 1926 appointed a special committee to investigate and report on the matter of Civil Service Councils. The report of this committee which was confirmed at the annual meeting of the Institute in 1926 constitutes our statement of policy in this connection. It may be summarized as follows:

(1) The Institute has examined the publications of the Department of Labour, Canada, dealing with operation of Whitley Councils in England and Joint Industrial Councils in Canada and other countries.

(2) The basis of the Whitley Council idea is distinct and separate organization within each trade or industry in order that the form of organization most suitable to the nature of the trade or industry may be secured and the particular problems arising, which vary for each trade or industry, may be dealt with along lines most suitable to employers and work people.

(3) There is no provision for a general council having jurisdiction over all industry; rather each industry is organized through work committees and district committees up to a national industrial council for that particular industry. The national council in each case is considered by the British Government as the body which speaks with authority with respect to the needs and requirements of its industry.

(4) The Civil Service of Canada may be roughly divided into three general classes:

- (a) Manual Labourers.
- (b) Clerical Employees.
- (c) Professional Officers.

There is just as much difference between the needs and requirements and the points of view of these three classes of employees as there is between the various industries in Great Britain, each of which has its own separate industrial council organization.

(5) The Institute is, therefore, of the opinion that any proper scheme of organization for Civil Service Councils must be based on recognition of this fact. The Institute feels that there should be a separate Council for the professional service, and that no general council having jurisdiction over the entire Civil Service can possibly meet the points of view of the different classes or do justice to the problems with which each class is faced.

(6) So far as the professional service is concerned the Institute is of the opinion that the approach to government should not be as employees presenting complaints or demands for redress to their employers, but rather as responsible officers of the Crown presenting to their superiors, recommendations for action based on reasonableness, common sense and the national interest in the true meaning of that term.

(7) The Institute points out that the Whitley Committee stressed the necessity for proper organization on the part of the employees' side as the following quotation indicates:

It is our considered opinion that an essential condition of securing a permanent improvement in the relations between employers and employees is that there should be adequate organization on the part of both—and such organization is necessary also to provide means whereby the arrangements and agreements made—may be effectively carried out.

The Institute concurs entirely with this view.

By Mr. Chevrier:

Q. Who said that?—A. That was in the Whitley Committee report.

The Institute concurs entirely with this view and feels that the Institute being the special organization of the professional service should be recognized by the Government as the body from which membership on the professional service side of any proposed council should be chosen.

(8) In conclusion the Institute points out that professional officers of the Civil Service function to a very great extent in the administration of the public service or the protection of public interests. This in itself is justification for treatment by government of the professional service as a separate unit of the Civil Service in the formation of Civil Service Councils.

The CHAIRMAN: Are there any questions that any member of the Committee wishes to ask Mr. Cameron?

By Mr. Chevrier:

Q. I quite appreciate the very lucid expression of opinion that has been given by you, Mr. Cameron. What I want to understand clearly is this: according to what you have said, the better way would be to have three councils, one to deal with each of the three categories, as to the division of the service; is that right?—A. That is our opinion. We did not express three; we expressed two.

Q. If I understand the nature of this investigation, it seems that a National Council will satisfy the desires of the service, a National Council to

[Mr. D. Roy Cameron.]

deal with matters of policy only. Take matters of promotion, when the employees come under this scheme, or take public works employees, such as carpenters and the like, that is a matter of policy; it is a matter that affects the whole of the Civil Service, from coast to coast, such as matters of sick leave. They do not affect the professional institute solely, or any other branch of the service, and there are a number of other matters of that kind. As I understand it, this National Council would be for the purpose of deciding questions of policy affecting the generality of the various causes of grievances that might arise in the whole service. Do I understand that you are opposed to the creation of a National Council on broad lines, as I understand the conception of the National Council to read?—A. Well, Mr. Chairman, the point we have in our minds in this matter is rather this: that there are undoubtedly a number of questions of policy with respect to the Civil Service which are common to all Civil servants; but there are a number of other questions that are not common to the whole Civil Service, and we think that a separate organization would get better action with regard to the problems that each class in the Civil Service has to confront. For instance, we have very few matters in common with the problems which have been mentioned by the last witnesses. Is that clear?

Q. In questions of public policy perhaps matters should be dealt with in a different way from that in which they are dealt with now?—A. I think you should know better than anybody else.

Q. I know there is a diversity of opinion upon a number of subjects. I know what I have to deal with. When representations are made on one side, and somebody comes up with another representation, I have to steer a half way course. If we could all agree upon one policy, beneficial to all, it would be quite different.—A. Is it not a fact that there are twenty-four or twenty-five Civil Service Organizations?

Q. There should not be?—A. Is not the very fact that there are, an indication that their interests are divergent and that one National Council would be a bear garden?

By Mr. Woodsworth:

Q. Do you suggest that we ought to have twenty-five National councils?—A. Absolutely no.

Q. I should think that that would be your reasoning?—A. No, sir.

Q. As I see it, you are looking at the matter very largely from the position of those who are in administrative positions, if I understand you rightly. Would not that very fact indicate that the professional institute have hardly realized some of the distinctive problems that have not faced the Professional Institute, but are common merely to manual work of some kind?—A. The fact is that some of us in the Institute are dealing with those very problems.

Q. But you are representing the views of the employer, not of the employee. If I understand you rightly, you regard yourselves as responsible officers of the Crown, and as such you would not realize very keenly the needs of those who are employed?—A. But a responsible officer of the Crown, in order to fulfil his functions, must take into consideration the good of the service. All Civil Servants are employees of the Crown, just as well as the public works labourer, as far as that goes.

Q. Do you not think, Mr. Cameron, that it is a good deal easier for those of you who are in administrative positions to get the ear of highly-placed public officials or the Ministers than it would be for a member from these other groups?—A. I would not care to testify for any other organization than my own, Mr. Woodsworth, but I have never heard of any criticism on the part of any of the organizations that they were unable to approach either the Civil Service Commission or a member of the cabinet with a view to handling Civil Service affairs.

[Mr. D. Roy Cameron.]

By Mr. Thorson:

Q. You do not feel in need of any machinery?—A. We do not need machinery. We feel that the Civil Service Councils would be a fifth wheel to the coach.

By Miss Macphail:

Q. Well, you are speaking from the point of view of the professional man, and therefore not of the usual and ordinary classes of employees?—A. No, I think not.

By Mr. Woodsworth:

Q. I think the fear of the Professional Institute, or one fear, would be that they would be submerged in any such National Council?—A. Well there is undoubtedly the fact that we are numerically in the minority, although we have a membership of from 1,150 to 1,200, and we feel that we occupy positions of responsibility in the Public Service, and that representation in the National Council should not be solely on the basis of the numerical strength of our body. I may say that it has happened in the National Council in England, that the professional institutes have found their problems tend to be submerged in the problems of the majority.

Q. If I understood aright from the evidence of Dr. Skelton, in England the Professional Civil Servants have withdrawn from the Civil Service scheme?—A. I did not understand that the Professional Institute members had. I believe the First Division men have.

Q. Would your organization feel that if a national council were established, it would be impossible for them to become members of it?—A. I would not go that far, Mr. Woodsworth, no; but we would suggest that we should have a membership which was adequate to our conception of what the term "adequate" means. I mean to say there are thousands and thousands of employees, taking the labouring classes.

Q. Would you suggest that there should be a kind of loaded vote in favour of these Professional Institute members?—A. No.

Mr. THORSON: Hardly.

By Mr. Woodsworth:

Q. I am just getting at what you mean by "adequate" representations?—A. I am not claiming that the Professional Institute should have enough votes to swing the national council; but I would not consider one member adequate representation.

By Mr. Neill:

Q. Would not that matter be decided by, clause 2, which is, that the National Council should be composed of nine representatives on each side. So you would get nine representatives on your side.

Mr. WOODSWORTH: No, he is representing the staff side.

Mr. NEILL: The staff side? I thought he was representing the official side. It says that the staff side should be selected from the principal officials of the Department. Does not your Institute provide the principal officials.

Mr. WOODSWORTH: That is a more severe criticism than any I have passed.

WITNESS: The principal officials are the Deputy Ministers and the Assistant Deputy Ministers. Undoubtedly, some of our members would have to act on the official side.

Mr. NEILL: You look like an official.

[Mr. D. Roy Cameron.]

By Mr. Woodsworth:

Q. Would your suggestion then be that there should be three National Councils conforming more or less to the provisions you gave?—A. Well, I do not take it upon myself to suggest what should be done with the other two classes. I say we have three general classes of Civil Service employees. Now, whether the other two want to unite into one or not is their business. For ourselves, we wish to be separate.

Q. If they wish to unite, you would say that there should be two national councils?—A. Absolutely.

Q. You suggested a while ago, in answer to Mr. Chevrier, that there were certain matters that were common to all Civil Servants. Would there be no provision whatever for common action in such common matters?—A. Just as we have had joint action with the Civil Service Federation on Superannuation last year. It is quite easy to have joint action when you have interests in common.

Q. Would not that naturally lead up to a national council?—A. But the trouble is that there are a good many things that are not common.

Q. Those would be dealt with in the departmental council?—A. We have not discussed the departmental council problem at all.

Q. The bill makes provision for departmental councils in which matters that are purely departmental would be dealt with within the departmental council. Would that meet the needs of the situation?—A. We, as an Institute cannot come to a decision on the question of departmental councils until we know a little more clearly what is the function and scope of them. If a national council is formed, on that will depend what matters came within the jurisdiction of a departmental council.

By the Chairman:

Q. You do not think it is possible for your Institute to have a representation on that national council that would be satisfactory to your organization?—A. I do not say it is impossible. That depends on the event. But we foresee great difficulties.

The CHAIRMAN: Are there any other questions to be asked Mr. Cameron? We have another witness yesterday. I think perhaps that is all, Mr. Cameron, and I thank you very much for being here. Our next witness is Miss McInnes, representing the women of the Civil Service at Ottawa.

Miss JANE McINNES called and sworn.

By the Chairman:

Q. What is your name in full?—A. Jane McInnes.

Q. And what is the position you occupy with respect to the Civil Service in Ottawa?—A. I am first Vice-President of the Civil Service Association of Ottawa, and a member of the Halcyon Club, which is an official club.

Q. Then I think the members of the Committee will know just what position you hold. Now will you just give us, in brief, your ideas on this Civil Service Bill?—A. The Civil Service Association of Ottawa last Fall entrusted me with the formation of a Committee for the study of Civil Service councils. This is a matter which has been under discussion more or less for a long time. We all know that there are many, many grievances, and the idea was to try to formulate some proposal and place in the hands of those, who would have the studying of those councils, something concrete to guide them in coming to some decision. At no time did we feel that any report which we might present would be used just as presented; not by any manner of means. But our idea was to try to

[Miss Jane McInnes.]

place something in the hands of those who would have the matter in hand to study. So, a little later on, we presented a report which has been published in the *Civil Service News*, our official organ, and which perhaps you have before you. If I may, I will use this as my text. We feel that the basic law, which should give a national Civil Service council the authority it needs to exercise the functions imposed upon it, should be devised in such a way as to enable it to enforce its rules. We did not believe that it would be wise, at the outset at least, to attempt to prescribe detailed machinery for the effective carrying out of the law, for very obvious reasons. We do not know yet whether we are to have councils or not, and it would be rather far-reaching to propose any definite lines or channels for consideration. It stands to reason that any law or regulation, affecting Civil Servants in Ottawa is bound to affect the whole Service throughout Canada; and therefore, while we are merely a local organization, we felt that any legislation which might be brought in would help the Service throughout Canada, and we proposed that there should be a national Civil Service council. We started from the top. We had at first started from the bottom. We discarded that after due consideration, and we decided to work from the top. We proposed that there should be what might be called a national Civil Service council, composed of, the Civil Service Commission, naturally; a deputy minister; two from what might be termed, the staff side—I presume, Civil Servants themselves; and an independent chairman. We were concerned too, in our consideration, with the fact that it would not be logical to expect the government to bring in a measure which would be very expensive, and therefore we had that in mind when we formed our small national committee with an independent chairman, who would be the chairman of some advisory board which had already been established, to advise the government, and preferably the Audit Board which has fairly recently been established, perhaps a couple of years ago. Then we thought that perhaps with a national council it would be possible to have what we would call departmental councils for Ottawa. Departmental councils would, of necessity, deal with matters pertaining to the staff; grievances and all matters which would be brought to their attention, and, perhaps by this channel, it would not be necessary ever to appeal to the national council; but we did want the national council to be also a board of appeal, because as we all know at the present time, Civil servants have not the right of appeal. If a Civil servant is dissatisfied, or unhappy, or perhaps unjustly treated, he has no redress except through the courtesy of someone who will be good enough to interest himself in his cause, and that is opposed, I think, to the general principles of labour and capital to-day. The national Civil Service council therefore, being made up of departmental councils to handle matters in Ottawa, would also have, to assist it, regional councils outside of Ottawa. The regional councils would cover the Civil Service employees who are distributed throughout Canada, and they probably could function for districts, as it were; because Canada is divided, for administration purposes by each Department according to its own views in the matter, into districts; and in these districts there are Civil servants who could be organized into regional groups. From regional groups, we went on to occupational groups—as I think was mentioned by the speaker from the Professional Institute—what might be called mechanical groups, or groups of that kind, or manual labour. They are really occupational groups, including perhaps letter-carriers or people of that kind. Then there would be also vocational groups, and in the vocational groups we really had thought of the professional Civil Service, and a national council applying to all Civil servants in Canada. We felt that groups ought to have their representatives, or at least their method of dealing with difficulties, which they could present to the national council for decision. The national council would be informed and would assist the regional or departmental councils when it

[Miss Jane McInnes.]

was necessary for these to be formed in turn. We would have to start off first with our national council, and then would follow in turn these departmental or regional groups, as many as would be necessary, and all these would be formed with the idea of helping to come to some conclusion in regard to councils. We do not believe that there should be two national councils. If the departmental councils function as they should, and if they met with the co-operation and assistance of the Service generally—and no national council could ever be successful if it did not have the whole-hearted co-operation of those who should be most interested—the departmental councils and the regional councils and occupational councils receiving the griefs and complaints of their membership could probably eliminate all or nearly all these and bring them to a satisfactory head without going any further. Sometimes it is merely necessary to get the ear of the proper officer, in some departments; or the Deputy Minister is very far removed from the staff by the very nature of the staff itself; in other cases, it is not so. I do not think any deputy is deliberately unjust, but he is not always aware of what is going on. Cases are presented to the heads, and the heads of course are trusted, and we suppose they are quite honest in their opinions, but it is possible to make a mistake, and there are so many grievances that I am sure there must be something radically wrong somewhere. In establishing national councils too, we do not believe that our Prime Minister had in mind merely setting up a further Board for just idealizing the Service entirely; neither do we think that the National Council should be set up exclusively as a grievance committee. I do not think the Civil Service Association of Ottawa, for the women of Ottawa, want that at all; but that matters coming under the various heads would be interpreted by this Council. In one of the clauses we said that the National Council could also deal with matters of dispute between departments and the Civil Service Commission. That might be a rather peculiar situation, we might think, but it really does exist. There are times when there is an absolute deadlock between the Civil Service Commission and the Departments, and in that case either one or the other could take their case to the National Council. There would not be any reason against it, because that council is composed of the Deputy Minister, the Civil Service Commissioner, two from the staff side and an independent chairman. Therefore, there does not seem to be any reason why the Civil Service Commission could not use the National Council itself, if it thought it desirable to do so. Then we mentioned another clause: That the decisions of the council should be final and binding. Unfortunately, we forgot to mention that it would be subject naturally to the Governor-in-Council. It would be quite an unheard of thing that any Civil Service organization should advocate the setting up of a board which would over-rule Parliament. That was so very obvious to us that we did not think it necessary to mention it. Unfortunately, it has caused quite a bit of comment, and to clarify the matter, I am bringing it to the attention of the Committee this morning so that our clause 6 of the Recommendations, that all decisions rendered by the council should be final and binding on all parties concerned, should read "subject to approval by the Governor-in-Council." We felt that the clause 6, dealing with the directing that all decisions of the council be final and binding, was really the crux of the whole matter, for unless the National Council can give a decision, which to all intents and purposes is final, I do not believe that there would be very much use in setting up councils at all. It would mean the establishment of machinery for another advisory board, which would not be of any great consequence, and therefore, in studying this matter, the Committee felt that it was justified in recommending that the National Council be allowed to have the final say in matters brought to it for its attention. By the very fact that there are departmental, regional and occupational councils already established, there should not be a tremendous number of cases brought

to the attention of the National Council proper. But when they are brought to the Council, the decision should be made final and binding on all parties concerned. Then we moved on down to matters which are not legislative. They are merely advisory in nature and therefore they were set below the clause for the final and binding decisions of the Council. It is quite logical, as it seemed to us, that National Councils could, and should, be heard on all matters of general interest to the Service. Before laws are brought in, if the National Councils are asked to co-operate with those framing the legislation, it might be possible to eliminate a good deal of dissatisfaction and trouble for those who have to defend the Service in a practical way after the law has been passed. We have numerous laws which have been in action from time to time, mostly as the result of the action of the professional Civil Service body or the Civil Service generally, and immediately afterwards they have to start amending. Perhaps if those who are drafting laws and regulations would consult with, or ask for, the co-operation of those most interested, using this National Council for this purpose, it might be possible to eliminate some of the trouble which results. And naturally the National Council would be charged also with the acceptance of suggestions and things pertaining thereto. I think most of the Civil servants in Canada are loyal and devoted to their work, but they have not very much opportunity of bringing to the attention of the powers that be measures for greater efficiency, and I think perhaps the National Council, if it could be established, could take into consideration these matters and act accordingly. I do not believe, Mr. Chairman, that I have anything further to say, but I shall be glad to answer any questions that may be asked.

The CHAIRMAN: Are there any questions that any of the members wish to ask Miss McInnes.

Miss MACPHAIL: Mr. Chairman, Miss McInnes said that she thought that those who are framing the laws should consult those interested. I think that is what this Committee is endeavouring to do, but the people who are interested do not agree among themselves, nor with those who are endeavouring to frame the laws, and that makes it difficult. The first thing, before the Civil Service can get anything done in their favour, is to do what Mr. Chevrier has suggested; they will have to come together in some way. The Government, the heads of departments, and others are blamed. It looks to me that they will not get anywhere until they blame themselves. We have had four or five witnesses with four or five different points of view. It is impossible for the man who is endeavouring to frame the legislation—in this case Mr. Woodsworth—with only the desire to meet the needs of the Civil Service in mind, to find out what their needs are.

WITNESS: I think the point is very well taken, but at the same time I do not see how it can be eliminated. You may judge from the evidence given so far that there is a diversity of opinion, but the Service is very large, and there are very many problems to be considered, so that, it is rather difficult, I think, to get the viewpoint of everybody. But some of the evidence given has been very good, as I submit.

Miss MACPHAIL: In that case we will have to do just what you spoke of a few moments ago: go on and make the best sort of legislation we can, and then amend it from time to time when the pressure becomes strong enough to bring about an amendment. There does not seem anything else that can be done, in the very nature of the case.

WITNESS: I may say, this clause was added because it was thought it would be evidence before the Committee to assist the Committee in coming to some sort of conclusion.

[Miss Jane McInnes.]

By Mr. Neill:

Q. I would like to ask how many people are in this association that the lady represents?—A. I think the answer was given by the President of the Civil Service Association in his evidence on Tuesday. Last year we had over 3,400. This year the returns show that we will probably have over 5,000. I think I am safe in saying that we will have about 5,000 this year, if our progress continues.

Q. How would they be distributed?—A. In the professional Civil Service, there are about 1,100 I think, or between 1,100 and 1,200 in Ottawa. That is the Professional Institute comprises about 1,100 I think. There are postal workers and various people of that kind. But the whole Service in Ottawa is about 10,000 I think, including the temporaries and the professional people.

By Mr. Woodsworth:

Q. May I ask whether the Professional Institute is included in the Civil Service Association of Ottawa?—A. Oh, I do not think so, Mr. Woodsworth, because they have their own separate organization. Some of them may be members of the Civil Service Association, merely as a matter of helping the Service along.

Q. But their organization is not included?—A. No, not in any way.

Q. I think Miss McInnes has used a phrase for which we ought to be very grateful. She says a good way of securing redress is to get the ear of the proper man. Is not that the best appeal we can make for some sort of a council or regular machinery for securing redress of these grievances?—A. Well, I hope so, Mr. Woodsworth. I just presented the report as it was found by the Committee, and the findings as they are I have placed before you, with some explanation of why there are four of them, because just reading a report is not satisfactory.

By Mr. Thorson:

Q. Will it not be mainly a grievance council?—A. Well, we can imagine, if councils are established whereby employees can get to their department head—as things are now, it is not easy for any one to bring in a grievance, and there are very many of them, one must admit that—it is difficult for any person in a large department to reach the head. If he could reach the head, probably the whole thing could be settled right there and then, but evidently now, it is almost impossible, except where the departments are very small. As you all know, the deputy ministers are very human but tremendously over-worked, or as most of us know; they have not the time; for instance, in the case of a stenographer not being properly classified. Sometimes it is not the fault of the man in charge; it is the fault of the system.

By Miss Macphail:

Q. Sometimes the personal element enters in?—A. Well, we all recognize that, although we would not say that in any specific way.

MR. WOODSWORTH: I can say it.

WITNESS: Well, that is all right. I suppose you know.

By Mr. Thorson:

Q. Your Association suggests regional councils for part of the Service out of Ottawa; departmental councils and a national council?—A. The National Council is the head, and these others would be to assist the National Council, which would deal only with important matters. It would not deal with every little matter which one believes to be a grievance. To avoid that, the departmental councils would eliminate all the more or less small cases.

[Miss Jane McInnes.]

Q. And there would be an appeal from the departmental to the National Council?—A. Yes. In the case of a deadlock; then of course it would have to come to the national council, whose decision, we feel, should be final.

Q. Do you propose to give the National Council, in a sense, control over departmental administration?—A. Well, I would hardly say that.⁴ I do not believe that that would be the intention. I do not think it is the intention, and I do not believe it would work out in that way. We want a channel through which grievances can be brought to the proper quarter. But sometimes even then, in the case of groups, they might persist in thinking that a certain thing should be brought to the head of the Department. Then in that case, the position would be that no satisfactory decision having been rendered, it would be for the National Council to decide; but we do not think that should occur very commonly.

Q. Would not the main purpose of the Departmental Council or the National Council be to air the particular grievance, and see that it gets to the person who has charge of the particular department, and then if, after due consideration, the head of the Department is still of the same view, and does not side in with the employee, do you suggest that the National Council should have an over-riding power over the departmental head?—A. I am afraid it would have to be put in just those words, because, after all is said and done, if the Department is still of the opinion that it was right in the first place, and will not withdraw from that position, then the grievance should be aired before the National Council who would have the right to hear all the evidence and make a decision according to the evidence which would be placed before it. I think the work of the National Councils should be of great benefit to these deputies who are over-worked.

The CHAIRMAN: Before the Committee adjourns, we should decide as to who we will call to attend our next meeting.

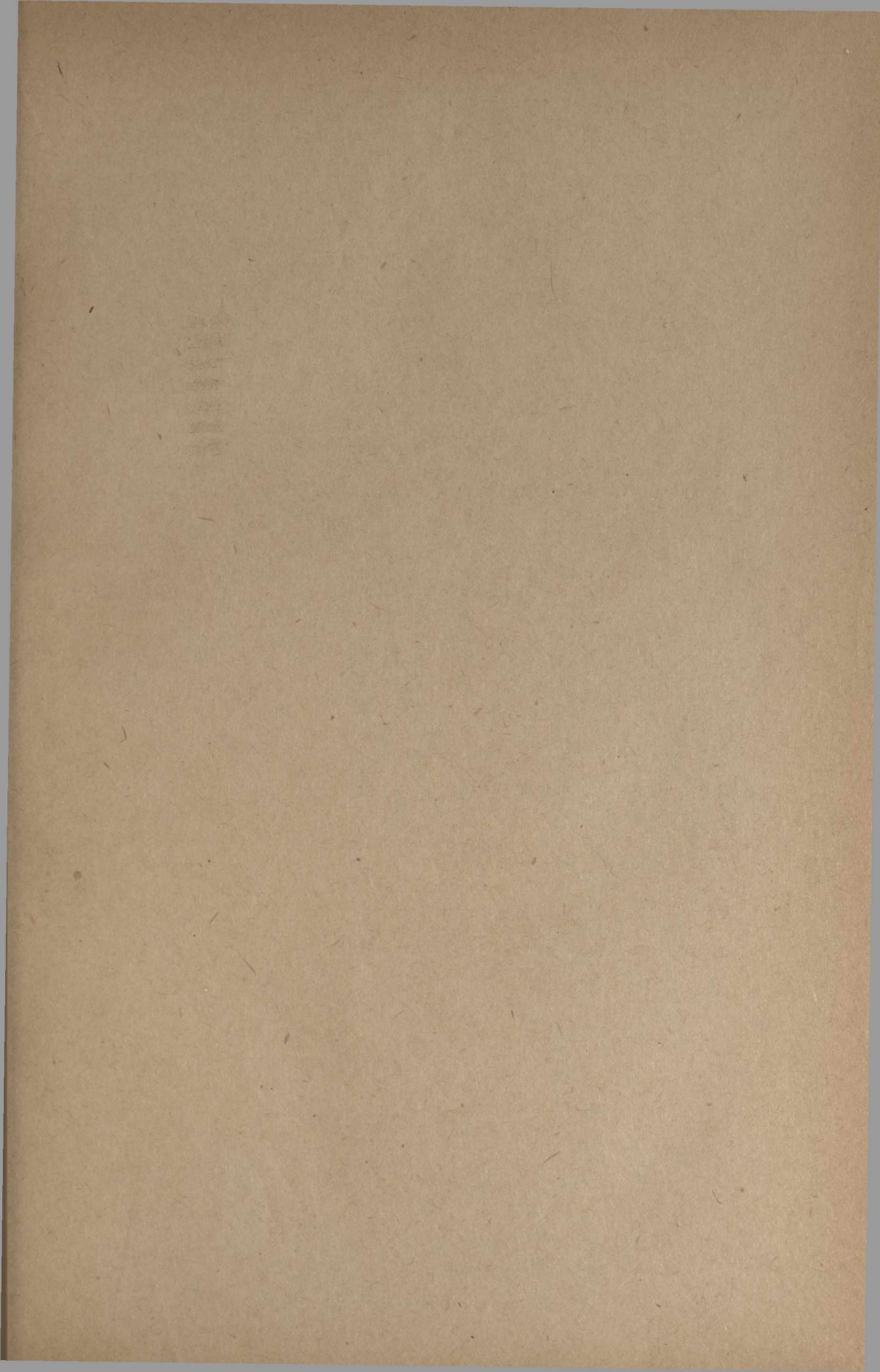
Mr. CHEVRIER: May I suggest the names of two? Mr. V. C. Phelan, and Mr. J. H. Ryan. They represent certain groups of the Civil Service here in Ottawa. I would suggest in order to make the case complete, or practically so on the side of the Civil servants, that those two gentlemen should be heard.

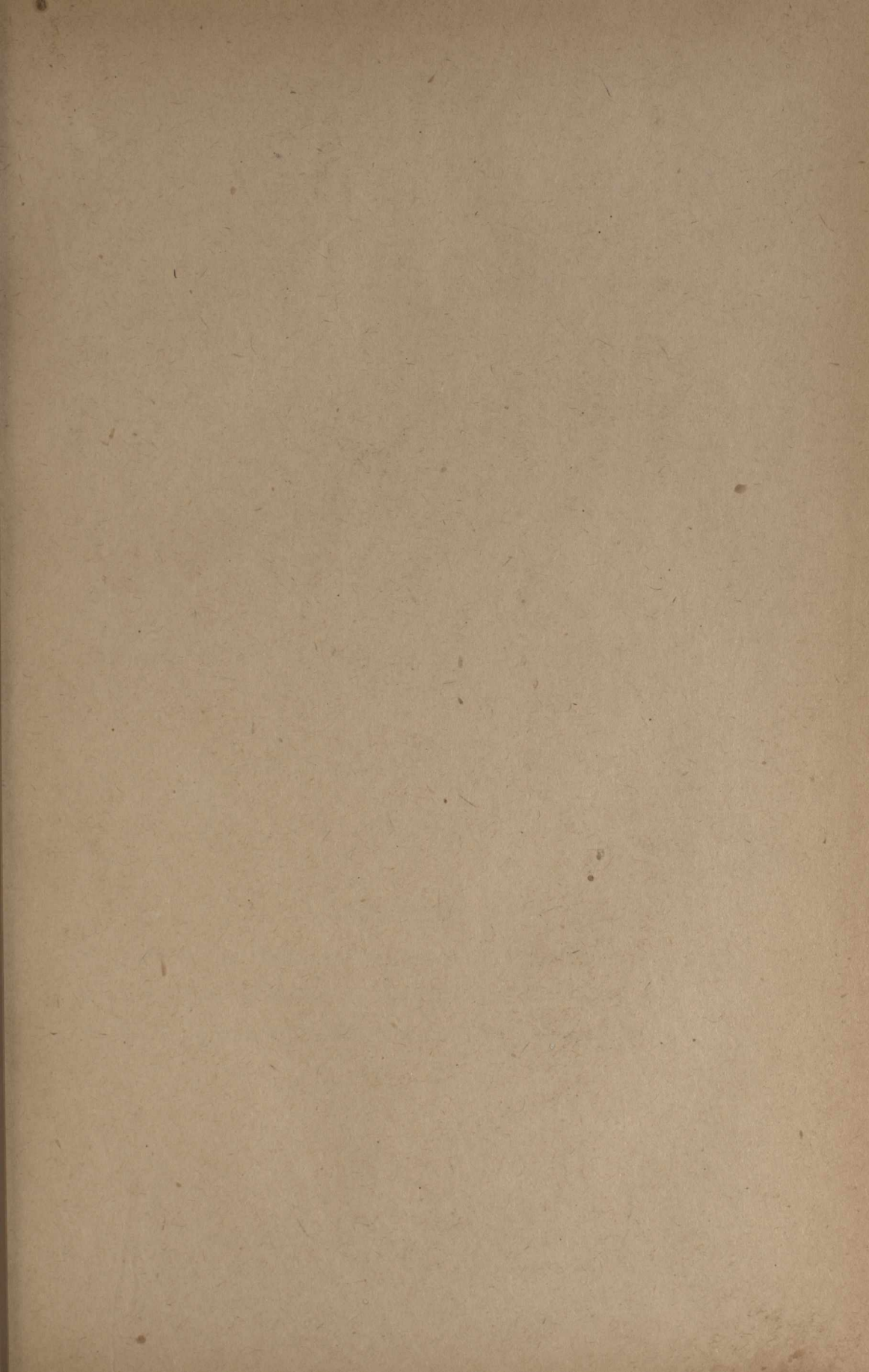
Mr. HOWARD: Have we not had enough witnesses?

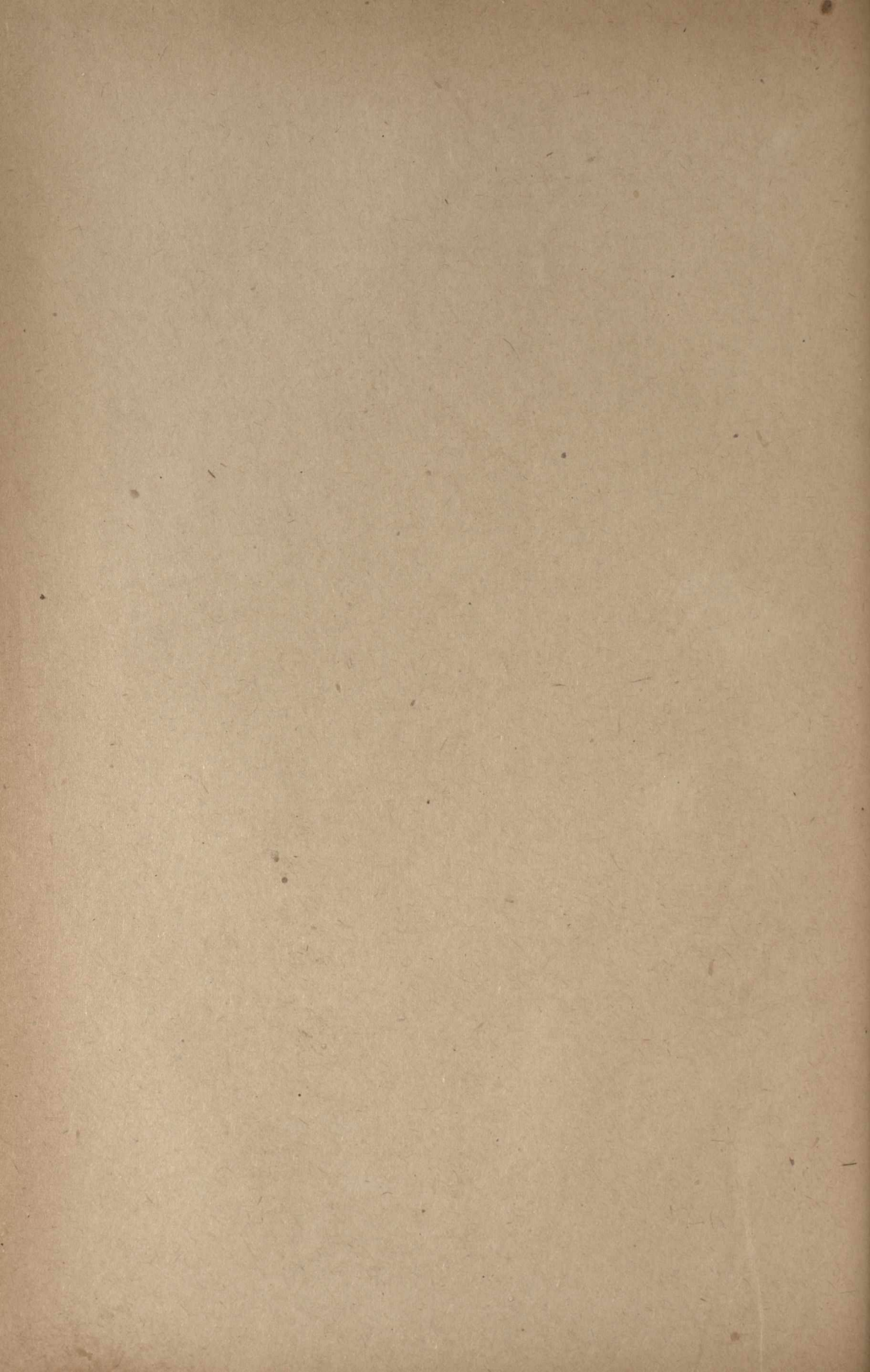
The CHAIRMAN: All we have had so far have been from Ottawa, except Mr. Knowles. These two I understand, are from the city. Mr. Knowles is from Vancouver, and is in the city on business.

Witness retired.

The Committee adjourned until Tuesday, March 13, at 11 a.m.







SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3—MARCH 13, 1928

WITNESSES:

Mr. V. C. Phelan, Treasurer of Civil Service Federation of Canada.

Mr. J. H. Ryan, President of Civil Service Federation of Canada.

Mr. W. J. Callaghan, President of Civil Service Association.

MINUTES OF PROCEEDINGS

TUESDAY, March 13, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day at 11 a.m.

Mr. McIntosh, (the Chairman), presiding.

Present: Messieurs Bell, Bissett, Chevrier, Grimmer, Hall, Howard, Jenkins, Neill, Sir George Perley, Ross (Kingston City), St. Pere, Woodsworth, and Hon. Mr. Heenan (Minister of Labour)—14.

Minutes of March 8th, read and approved.

Mr. V. C. Phelan, Treasurer of the Civil Service Federation of Canada, called, sworn and examined. Witness retired.

The Hon. Peter Heenan (Minister of Labour), addressed the Committee and expressed the hope that from the evidence heard, the Committee would be able to recommend some satisfactory form of Civil Service Councils.

Mr. J. H. Ryan, Secretary of Civil Service Federation of Canada, called, sworn and examined. Witness retired.

Mr. W. J. Callaghan, President, Civil Service Association of Canada, previously sworn, was recalled and further examined. Witness retired.

On Motion of Mr. Chevrier,

Resolved: That the Civil Service Commission be requested to present at the next sitting of the Committee their views on Civil Service Councils by one or more of the Commissioners.

The Committee adjourned until 11 a.m., Thursday, March 15th.

WALTER HILL,
Clerk of Committee

MINUTES OF EVIDENCE

COMMITTEE ROOM 429,

HOUSE OF COMMONS,

TUESDAY, March 13, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock, a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: Gentlemen, if you will come to order we will proceed. First, we will have the minutes of the last meeting read by the secretary.

(Minutes read and adopted.)

Mr. Phelan is here, I think, and is the first witness this morning.

V. C. PHELAN called and sworn:

By the Chairman:

Q. Mr. Phelan, I believe you have attended the different sessions of the committee, and you know just about the amount of material we have had before us on the subject of this reference. If you will tell your story in brief first, we will then get the committee to ask such questions as they may think necessary.

Mr. WOODSWORTH: May I ask first what organization this gentleman represents?

By the Chairman:

Q. What is your full name?—A. V. C. Phelan.

Q. What position in the Service do you hold?—A. I am a head clerk in the Department of Labour. I am also treasurer of the Civil Service Federation of Canada.

By Mr. Woodsworth:

Q. Is that the same organization as was represented the other day by Mr. MacInnes?—A. The same.

Q. Of which you are the treasurer?—A. Mr. MacInnes is president, and I am treasurer.

Q. So the views you give are the views of that organization?—A. The views I give are the views of the Civil Service Federation of Canada.

Q. You are going to agree with what Mr. MacInnes said?—A. I am corroborating what Mr. MacInnes said.

By the Chairman:

Q. Will you proceed?—A. Mr. Chairman and gentlemen of the committee; the British Civil Service has had experience now for a matter of about nine years with a Civil Service Council. What we, the Civil Service Federation of Canada, are asking for is not exactly similar to the council that has been established in the British Civil Service, but I would like, just for a

moment, to refer to the steps that were taken when the British Civil Service Council was established, in order to show the care that was taken in the drafting of the constitution of that council. My chief reason for doing this is because the Civil Service Federation of Canada has asked specifically that a preliminary committee be appointed, to be composed of equal numbers of representatives on the staff side and on the official side, to go into the matter of the constitution of the council. In the British Civil Service, when, after requests from numerous bodies, it was decided to move in the direction of the establishment of a Civil Service Council, a committee was appointed to deal with the application of the Whitley report to the British Civil Service. That committee reported, and the report was considered by a joint conference, a conference representative of both the government and the employees. A constitution was drafted at that first conference, and was later submitted to a second conference, likewise representative of both the employer and the employees. It was only after that second conference that the constitution was definitely and finally adopted.

With regard to the question of the success with which the British Civil Service Council is meeting, in a general way, the situation that we have in mind when we ask for a National Civil Service Council in Canada—I do not wish to go into the details, or indulge in any long argument upon the matter—but there is one point I think should be touched upon, and it is this; some of the British Civil Servants have withdrawn from the National Council. That withdrawal occurred in October, 1926. It might be thought, on the face of it, that there must be some inherent defect in Whitleyism, when one large and important section of the British Civil Service withdraws from the National Council, which that organization had aided in securing. The fact is that the reason for the withdrawal was not because of any defect in Whitleyism, but because of matters that were wholly extraneous to the functions of the Council under ordinary circumstances. To be more precise, the withdrawal of the senior officials and the professional people from the British National Council was due to causes arising out of the general strike in England in 1926. In order just to shed a little further light upon that point, I would like to read an excerpt from a letter written by Mr. A. J. C. Edwards, Honorary Secretary of the Joint Consultative Committee, as these higher officials called their own committee. This letter concludes as follows:

My committee desire me to add that this decision indicates no antagonism to the principle of a National Whitley Council for the Civil Service, and does no more than express the inability of this Committee to continue to work with the Staff Side on its present lines, and to remain committed to nominal responsibility for every action which that body may take. If the activities of the Staff Side were, by some change in its constitution, restricted to the sphere of collective negotiation with the Official Side, and to such other matters only as were accepted by the unanimous support of all its constituent bodies, my committee would be prepared to consider the withdrawal of the notice to terminate the Committee's connection with the National Whitley Council.

Yours faithfully,

A. J. C. EDWARDS (*Hon. Sec.*)

As I said before, my reason for reading this portion of the communication in question is to show that the withdrawal of the only body that has withdrawn from the British National Civil Service Council is in no way concerned with the principle of a Civil Service Council. Those people who withdrew still hold

[Mr. V. C. Phelan.]

to the view that the Civil Service Council is a good thing, and they have had some six or seven years of practical experience with a council.

To come now to Canada, and deal with this method of co-operation between employers and employees, and what the Civil Service Federation would like to see instituted in the Service, I would like to refer briefly to the Canadian Railway Board of Adjustment No. 1, at Montreal. This is a grievance board, which deals with the settlement of minor disputes between six of the National brotherhoods of railroad employees and the major railways in Canada. Some five or six railways, I believe, participate in the Board's proceedings.

What we are asking for is not an appeal board or a grievance board. I simply refer to the Canadian Railway Board of Adjustment No. 1 as being a practical mode of co-operation between the employer and the employee in the form of a board meeting from time to time, and whose membership is fairly continuous.

By Mr. Woodsworth:

Q. Will you give us the constitution of that Board, if you have it?—A. It is composed of six representatives of the railways and six representatives of the railway brotherhoods. There are six railway brotherhoods participating, and each of those has one representative on the board. Provision is made for the appointment of an independent chairman in case a dispute arises. Although the Board has been functioning now for nearly ten years, there has never been a case which has not been decided unanimously. There has never been any necessity for the Board to avail itself of the provision in the constitution for the calling in of an impartial chairman to break a tie vote; in fact, in conversation with some of the members of the Board, I am informed that votes are never taken, that everything is decided unanimously, and that it has now become the usual procedure and expectation of all the members of the Board that there will be no votes taken.

In order to show the success of this method of co-operation between employer and employee as typified by the Railway Board of Adjustment No. 1, I might mention the Canadian National Railway Board of Adjustment No. 2. That is a board which was established some six or seven years later than the Railway Board of Adjustment No. 1, in order to deal with matters in dispute between the Canadian National Railways and those of its employees who are members of the Canadian Brotherhood of Railroad Employees. This Board has now been functioning for, I believe, about two years, and has met with considerable success.

Q. May I ask this question? Is the constitution along the same lines?—A. Along similar lines. I believe there are only four members on each side. Of course there is only the one organization of employees being dealt with.

In these cases the principle which the Civil Service Federation would like to see introduced into the Civil Service, co-operation between employer and employee, through the medium of a Board composed of nominees of each of the respective parties, is put into actual practice, and, as I say, in both cases has worked out to the entire satisfaction of both parties.

With regard to Civil Service employment, it is the view of a large number of Civil Servants, and I think perhaps the view taken by the public is similar, that Civil Service employment varies in many respects from ordinary industrial or commercial employment. In the first place, we are not working for any ordinary employer; we are working for the State. It is the view of the public that under all circumstances the public services should be continuous. Perhaps the view has not been formulated into legislation, but I think it is only fair to say that the public are inclined to the view that strikes in the Civil Service should not occur, and I might go so far as to say that large numbers of Civil

[Mr. V. C. Phelan.]

Servants themselves hold the same view of the nature of the employment in which they are engaged. If that be so, we feel that it is only reasonable that when we desire to take our positions in that light, we should be given ample opportunity for full, free and frank discussion with our employers, in dealing with such matters as may, from time to time, arise, where Civil Servants feel that their interests require that representations be made to the government. There is no conflict as between the interests of Civil Servants and the government; both seek to serve the public. Moreover, it is the view of the Civil Servants that the government at all times endeavours to treat Civil Servants fairly.

This matter is one in which Civil Servants wish to co-operate most heartily with the government, and we feel that in order to co-operate with the government, and enable the government to treat us as fairly as they would like to, the most practical means to that end is by the institution of a board, where we could from time to time discuss such matters of differences of opinion as might arise.

Some of the departments of the government are huge organizations. In some of the small departments, it is perhaps possible for the deputy ministers and the chiefs of branches to come into constant personal contact with the employees, and if any matters arise in which the interests of the employees are affected, personal attention may be given to them and equitable treatment accorded. However, in the larger departments, scattered all over the country, where the number of employees in a single department runs into thousands, such contact is not possible. The same thing has been found to exist in ordinary industry; the larger the organization, the less personal contact there is. When personal contact between employers and employees, or those representing employers and employees, is not possible, some substitute has to be found. We feel to-day that the Civil Service in Canada has grown to the point where a logical substitute, such as a Civil Service Council, is a necessity. The Civil Service, generally speaking, has no complaint to offer with regard to the handling of representations made to the government from time to time. This is particularly true in respect of my own organization. The Civil Service Federation is always assured of a most courteous hearing on the part of the government. That has been our experience in the past. Our representations have been accorded the consideration that has been promised to them, and frequently action has followed. But we do not feel that governments, which are composed of men who are exceptionally busy, can devote to our problems the time and the close and intimate attention that is necessary in order to work out solutions in all cases. Moreover, frequently there have been occasions on which different Civil Service organizations appearing before the government would make different representations upon the same subject, which must have left the government in a quandary to know just what was wanted by the Civil Servants, and although the government was anxious to deal as fairly with the Service as it possibly could, it must have been in the dark as to just what action it should take.

If a Council were established, and if all Civil Service bodies were given representation on it, as I think they should, then the decision of the Council, in the form of a recommendation, would represent at least a majority opinion of the Civil Service; and in addition to that it would represent a majority opinion of representatives of the government itself, so that a recommendation, when it was presented to the government, would not only be in a sense a unified request from the Civil Servants; it would be a unified request which had been concurred in by the government's own representatives.

Some exception might be taken to the fact that we are asking for an Advisory Council. It might be urged that an Advisory Council would consist of, or would become, nothing more or less than a debating society, that it would

[Mr. V. C. Phelan.]

consider questions and would make recommendations which would not be taken seriously. I would like to point out, however, on this point, that it is not necessary that a body, in order to be effective, should always have powers ordinarily conferred upon courts or administrative officials, and in so doing I would cite the Industrial Disputes Investigation Act, more commonly known as the Lemieux Act. From the fiscal year 1907-08 to 1926-27, no less than 461 boards were constituted under the Industrial Disputes Investigation Act. These boards, I might mention, have no powers except to investigate and report, yet in all but 37 cases those boards, when they investigated and reported, succeeded in either avoiding a strike or in ending a strike; that is to say, in more than 90 per cent of the cases investigated by those boards, advisory opinions were accepted to settle the disputes.

The Civil Service Federation, as Mr. MacInnes pointed out the other day, is not making representations regarding a grievance board or an appeal board. Our reason for this is that we feel that the whole matter of a grievance board or an appeal board is one which should be the subject of investigation and recommendation by a National Council. That would be, we feel, one of the legitimate functions of a Civil Service Council, that is, a National Council, to investigate and report to the government upon that question, not to undertake the actual work itself. We can foresee grave difficulties in the matter if a National Civil Service Council were to undertake to listen to individual appeals. Facilities would be required which it might be most difficult to secure. Moreover, there might be such a large number of those appeals that the larger questions which actually come within the scope of the Council would be wholly overlooked or submerged. So that it is therefore our opinion that while a National Civil Service Council should consider the matter and report in connection with it, in itself it should not be an appeal board. The Civil Service Federation think it rather unfortunate that the two matters should be considered at the same time. The one is larger in its scope, and would in the long run mean more to the Civil Service. We feel that if a National Council were established, and the general rules affecting the Civil Service were gone into and reported upon, the need for an appeal board to hear individual appeals would have largely disappeared.

By the Chairman:

Q. Do you think there is a necessity for any appeal board?—A. That would be a matter for the National Civil Service Council to determine and recommend upon. There might or might not be. The National Council would be in the best position to go into the question of the necessity for it.

In conclusion, I would like to repeat the precise request of the Civil Service Federation, which was first stated by Mr. MacInnes, our President, a week ago to-day. We have asked that a National Civil Service Council be established, but that before such a council be established, there shall be set up a preliminary committee, to go into the matter of the constitution of the National Council. I have outlined the procedure followed in England, and while our procedure as requested is not based upon the British experience wholly, after reviewing most carefully what was done in England, we feel that it will be necessary, in any case, to have a joint committee representative both of the Service and the government, set up, to go into the matter of a constitution.

By Mr. Chevrier:

Q. Do you mean a joint committee or joint council?—A. A joint committee. As I have said, that does not affect the principle of a National Civil Service Council. We would like to see that principle affirmed. We are not satisfied, however, that a National Council could be set up overnight; it would require careful study, and it would be only after careful study had been given to the matter that we think it should be set up.

[Mr. V. C. Phelan.]

In October, 1926, the Civil Service Federation, composed of some 17 or 18 organizations, held a convention. Subsequent to the convention, the Civil Service Federation called a conference of all Civil Service organizations; all Civil Service organizations were represented at this conference, which was held in December, 1926. With the exception of the Professional Institute, all those Civil Service organizations agreed to press for the policy which had been adopted by the Civil Service Federation of Canada, that is, the policy which I have just mentioned a few moments ago. Some of the organizations have gone further, in certain respects; some are asking for local councils; some for departmental councils, and so on. All the organizations, however, with the one exception I have named, have agreed upon the one principle of a National Civil Service Council. Therefore the request of the Civil Service Federation of Canada represents the optimum of the demands of all Civil Service bodies, except, of course, the Professional Institute.

Our reason, therefore, for pressing for a National Civil Service Council is because we feel that the institution of such a body would meet the more important, in fact the major portion of the requests made by each of the several Civil Service bodies in Canada on this matter, always excepting of course the Professional Institute.

The CHAIRMAN: Does any member of the committee wish to ask any questions of this witness?

By Sir George Perley:

Q. I understood you to say, Mr. Phalen, that you thought each one of these Civil Service organizations ought to be represented on the council. How many members should then be on the council? I would like to ask in what way do you think that council would have to be handled, for that particular purpose, and in what way might these different organizations be expected to get together in order to function as you have described?

The CHAIRMAN: Bill No. 4 says that the National Council shall be composed of nine members on each side.

The WITNESS: Of course any number mentioned would be purely tentative. In Great Britain there are, I believe, twenty-seven representatives on each side. I am only stating my own opinion when I say that I do not think a council in Canada would have to be anything like that size. My own guess is that a council with even nine, or possibly better, eleven or twelve, on each side, would be quite sufficient.

As for the different organizations getting together and selecting their representatives, I would like just to refer to the conference of Civil Service organizations held in December, 1926, when we secured practical agreement and co-operation on the one point, that is, a request for the National Civil Service Council. What we have done once, I think we could repeat. As for the basis of representation, that would be a matter to be determined later. My own opinion there is that it would not be feasible to give representation to the different organizations on the basis of their membership. I think some other basis would have to be determined upon, say a minimum of one to the larger organizations, and some of the smaller organizations might be content to group themselves together for the purpose of having joint representation.

By the Chairman:

Q. If you had a somewhat small representation for all the organizations on that board, would it not, in your view, be more difficult to get the representative idea worked up; that is, if you had a small number or a fair sized number?

—A. Up to a certain point I think that would be correct. If you go over a cer-

[Mr. V. C. Phelan.]

tain number there would be difficulty. One organization might feel a little jealous because some other organization had two representatives. After all, it is not a matter of the Council meeting and considering matters, and voting; it is a question of arriving, if not at unanimity, at the views of the majority on the staff side or a majority view of the government side. I do not think, and it is the view of the Federation, that it would not be practicable to carry on a Council which was based upon a procedure of by mere majority votes.

By Mr. Chevrier:

Q. Would that not be taken care of, if you are granted the powers mentioned on page 16 of your memorial of 1926, in which you say that, as a preliminary step towards the establishment of such Councils, the government be requested to summon a committee to draft a constitution for a Civil Service Council? All these questions requiring a solution would be threshed out there.—A. Yes. They would be dealt with by the preliminary committee. We cannot foresee any difficulties in the way which would preclude the possibility of setting up a successful Council.

Q. So that a discussion now as to the number of representatives on each of these sides is rather premature?—A. Yes, it is.

By Mr. Woodsworth:

Q. Whether it is premature or not, may I point out that there is actually a bill before the House; we are discussing a concrete bill. Some of the opinions and ideas of the Federation seem to run along other lines, but we are glad to have these representations. This committee is discussing a definite bill to-day, and I would like to ask whether this bill has been considered by the Civil Service Federation or not.—A. Well, as I mentioned before, the Federation held a convention in October, 1926. We actually derive our policy from that convention. We have a permanent executive, which meets very frequently, but it would be scarcely correct with our form of organization for the executive to pronounce itself definitely upon the bill.

Q. However, the bill has been before the Federation?—A. It has, as a matter of information more than a matter of policy with respect to its provisions.

Q. Have you, yourself, as an individual, any remarks to make with regard to the clauses contained in this bill?—A. I could give my personal opinion, but it would not be the opinion of those whom I represent.

Q. But you could give your personal opinion with regard to these different clauses?—A. I have not a copy of the Bill with me just now.

By Mr. Neill:

Q. As the Federation have discussed it, can you give us their views of the Bill?—A. We did not go into it with the purpose of formulating a policy with respect to each of the provisions.

By Mr. Ross (Kingston):

Q. You are expressing the opinions of a body which is behind you. While we are not discussing the Bill exactly, I think we are close to it. We have to get their opinions before we can come to any conclusion.

The CHAIRMAN: The idea is to get all the information possible before it goes to the House. We went over it the other day, clause by clause, but did not get anywhere on it.

Mr. WOODSWORTH: The witness represents a very considerable body of civil servants, and they went over it clause by clause. I think we might derive considerable benefit by having the present witness discuss the matters contained in the Bill.

The CHAIRMAN: His own individual conception of the Bill, you mean?

Mr. WOODSWORTH: Quite so.

By Mr. Chevrier:

Q. Let me see if I can get this point cleared up? Here is a Bill Mr. Woodsworth has presented. Your association met in 1926, and they have adopted a policy. You say you have not the right as an official to express the views of the association with respect to this Bill; is that it?—A. I would not like to go as far as that. There might be certain provisions here which correspond quite closely with our policy, and with regard to those I could express the association's view all right enough.

Q. After what you have said, surely we can come to a conclusion. If what you have said represents the policy of the association to-day, and if the Bill is framed in a certain way, and your policy is put down in a certain way, surely we can determine whether what the association wants is covered by the Bill. If you are competent to express what the opinion of the association is, after having gone over the Bill, I think we should hear it.

The CHAIRMAN: In that way we will be getting more directly at the views of the association.

Mr. CHEVRIER: They have discussed it, and have arrived at a policy. Now we can decide whether the Bill meets their policy or not.

By Mr. Woodsworth:

Q. Do you not care to express yourself with regard to the terms of the Bill, Mr. Phelan?—A. That is a matter for the committee. If the committee ask me to do so, I do not mind giving my personal view.

The CHAIRMAN: Do you wish the witness to go over the Bill clause by clause, and give his personal views in that way?

Mr. CHEVRIER: I do not, personally. We all respect his personal opinions, but we have the Bill before us.

Mr. ROSS (Kingston): I do not think it would be fair to ask the witness to express himself in this way.

Mr. WOODSWORTH: That was the case the other day. Why have a second witness from this same organization simply reiterate the policy that was laid down two years ago? Two years have elapsed, and in the meantime the Bill is before the House. I thought that we would have a witness here to give his viewpoint as a civil servant.

Mr. CHEVRIER: I would suggest that we call a civil servant, and not an officer of an association that has expressed its opinion and policy. If they can only speak regarding their policy, then we cannot very well get their personal opinion. If Mr. Woodsworth wants to find out that opinion, let us call a civil servant.

Mr. NEILL: What we want is the views of the association on this Bill.

The CHAIRMAN: We have had that.

Mr. NEILL: We have not had the views of the association on this Bill.

Mr. WOODSWORTH: In view of what took place two years ago, when representations were made by several other associations, which differ more or less from this association, a Bill has actually been drawn up, and is before us. The point is, has the witness, or those whom he represents, anything to contribute to the discussion of this particular Bill? If not, I think that he may be dismissed, but if he has any suggestions on this Bill, it seems to me we ought to have the benefit of them.

[Mr. V. C. Phelan.]

The CHAIRMAN: In other words, you want him to go over the Bill, as Mr. Knowles did the other day, and give his idea on each clause of the Bill? Do you want the witness to do that?

Mr. CHEVRIER: If the witness feels he can do it as an individual, I am satisfied, but if he feels that he is only here in his official capacity, then, it is up to him to say so.

Mr. WOODSWORTH: I understood that it was in a private capacity that he was giving his evidence.

Mr. CHEVRIER: I would be satisfied, if Mr. Woodsworth, or anybody else wants it, to call ten or fifteen private individuals to get their views on this Bill.

Mr. NEILL: We should hear individual views.

The CHAIRMAN: We have the Minister of Labour with us this morning, and possibly he might add to the discussion. Perhaps we could get a statement from him on the principle of this Bill, and just how far the Government is desirous of going in this direction. What do you want done? Do you want the witness to go over this Bill, clause by clause, or will we have a statement from the Minister?

Mr. ROSS (Kingston): Will the Minister's statement make this a government bill?

The CHAIRMAN: I do not think it will.

Mr. ROSS (Kingston): Is the Minister going to tell us what parts of this they will support, and what parts they will throw out?

The CHAIRMAN: I presume the Minister will answer any question you wish, Mr. Ross.

Hon. Mr. HEENAN: I would like to help as much as I can, Mr. Chairman. I have had a great deal of experience along these lines, and I want to say, first, that the government are in sympathy with this Allied Council, and are willing to establish a joint council just as soon as we can get the desired information to make it satisfactory to the government and the civil service. We hope that some suggestions will come out of this Committee that will make it satisfactory. The only way you can do that is to go into the matter thoroughly.

The Bill, as you see, is a money bill, and might have been declared out of order, but we thought it would be well to have it thoroughly discussed. Mr. Woodsworth had been in touch with the Civil Service, and had some knowledge of their ideas. It was thought, in view of the fact that we were going to do it anyhow, that this should be taken as a basis. Therefore, I think Mr. Woodsworth's position is right, that every man that comes here, no matter whether he is a representative of an organization or just one civil servant, ought to give us his view in regard to the Bill itself.

I realize that this is a little different from the ordinary labour organization, or joint council. The scope of the Civil Service must, of necessity, be much broader. I understood Mr. Phelan, at the beginning of his remarks, to advocate an organization along the lines of the General Board of Adjustment No. 1, which was formed during the war. I want to point out to him that that only deals with grievances; there is no question of wages, conditions of employment, or anything along that line. It is true, as he said, that it has not been necessary for one case to go to a vote, it has been unanimous. Cases have occurred where a man has been suspended, and out of work for a considerable period, and has been reinstated with full pay. Other times he is not reinstated. But it has always been unanimous.

Most of my time is taken up in listening to grievances from the different departments. They seem to think that the Irishman's heart is the biggest in

[Mr. V. C. Phelan.]

the government, and they come along to my office. So that the better you get this, the better the government will be pleased in connection with it, and the better the Minister of Labour will be pleased.

Mr. CHEVRIER: I am not trying to stifle any evidence. I do not think the majority of the Committee here, by a vote or a unanimous decision, can force a witness to speak in any capacity. He has made his statement, and if he wants to answer as an individual, he may. If he wants to answer as an official, he may. But if he wants to decline to give his personal opinion, he may do so. If we are now asking him to give evidence, he can say, "I have already given my evidence."

The CHAIRMAN: We do not want any compulsion in any committee of this kind. I think Mr. Phelan understands that we are simply trying to get all the information possible.

Mr. NEILL: I object to the waste of time involved in hearing the individual views of any civil servant. It has been shown that there are, perhaps, a half dozen organized bodies within the Civil Service. I think that we should hear the representatives of these various bodies, qualified to speak for, say, two hundred, five thousand or ten thousand people. If we are going to take the individual views of civil servants—there are, I suppose, about thirty thousand in Canada—we will need to take about ten per cent to get a fair cross-cut, and that is absolutely unnecessary. We want to get the real, genuine, representative presentment of the case, and if we can get the views of these different organizations, then we will get an idea of what the civil servants really think. I would suggest that this gentleman be asked to obtain from his body the authority to present their views.

The CHAIRMAN: You want him to come back later and give us those?

Mr. WOODSWORTH: That is impracticable. As I understand the nature of the Federation, it is a federation of bodies, and before a statement can be given it would have to be referred back away down the line to all the component bodies. I think I am right in that.

The WITNESS: I could give what I believe to be the opinion of the Federation with regard to certain sections of this Bill, interpreting its policy, but that would only be my interpretation.

The CHAIRMAN: Mr. Neill's contention is that we do not want to take up too much time in this. Will you do it as briefly and quickly as you can?

Mr. ROSS (Kingston): Could not someone come forward from this Association and say, "here is our attitude towards this Bill?"

The CHAIRMAN: There are so many different organizations.

Mr. ROSS (Kingston): We have got to hear them all. I think that was the Minister's attitude.

Mr. CHEVRIER: I submit that that is a very difficult situation. The Federation is composed of a large number of bodies—I am not speaking for the Federation, but as one who knows a little about it—and they expressed a policy in 1926. They have not seen fit to make representations before this Committee as to what their ideas are on the present bill, for the reason, probably, that they could not meet, being strung out all over Canada. But we have a concrete Bill; there is the evidence of the witness who has explained the policy. If the Civil Servants feel that they want to give more, I am satisfied to listen, but I am also satisfied that I have heard enough on that point. If it is the desire of the Committee, that the Federation go back and study the Bill, they are prepared to do it. They will then come and give their ideas or criticisms about the Bill.

[Mr. V. C. Phelan.]

The CHAIRMAN: Is that satisfactory, that the President, the Treasurer, and those who represent that organization, go back and get exactly what their ideas on this bill are. They will then come forward and let the Committee have that at another meeting.

Witness retired.

J. H. RYAN, called and sworn.

The WITNESS: Mr. Chairman, and honourable gentlemen, the only point that I wish to stress at all, is the one of unity in the Service with regard to their views on Civil Service Councils. We had some remarks the other day to the effect that there was a divergence of opinion in the Service. I just want to point out that, at our convention, and at the subsequent conference in 1926—this has been stated before, but it is well to repeat it so that we will remember it—the Service agreed to a certain policy. That policy was for the establishment of committee representing, equally, the Service and the official side, that is, the government, to study the views of both the government and the Service with regard to co-operation in matters pertaining to the Civil Service.

We think that if that first step is taken soon, that is as far as we should go at the present time. We feel that in that way confidence can be established.

Following the establishing of confidence between the two sides, we will get along to what you might possibly call enthusiasm for the scheme. As soon as you have established enthusiasm for the scheme, then you may expect success. I think that we should go along in that way, establish co-operation, in order that we may know that we are able to co-operate. Therefore, we ask for the establishment of National Councils. We believe that all other matters, such as the hearing of grievances, should be decided by the National Councils.

I just want to point out that we are all agreed, with the exception of one, as Mr. Phelan has just stated, on that point.

By Mr. Chevrier:

Q. Would you mind stating how long this matter has been under discussion in the Federation, and how long you have been connected with them?—A. I have been connected with the Federation since the year 1917. I have been connected with Civil Service affairs in Ottawa, since 1915. I might say that the Federation had the privilege of sending representatives to the National Industrial Conference in Ottawa, in September, 1919. At that conference the President of the Federation presented a report, as Chairman of a Committee, asking for just such a council as is being considered here in Mr. Woodsworth's bill. There were three sides at that conference; the employees' side, the employers' side, and a third party representing the public, more or less, who were not considered either as employees or employers. The employers' side had Mr. Deacon of Winnipeg as a representative. They stated that they felt it was a matter of concern for the government and that other employers should not be drawn into the matter. The third side, of which the present Prime Minister was one, thought that it should be introduced into the Service.

The Federation has been considering the matter of councils since the year 1919. They have established confidence between the government and themselves, particularly with the Civil Service Commission, in the establishing of the Board of Hearing. I want to point out that co-operation is not a new thing in the Service, that the Federation had the opportunity to take part in the establishment of what is known as the Board of Hearing and Recommendation, in 1919. That followed the classification of the Service by a body of American experts; it cost the country over \$500,000 to produce a classification. When the

[Mr. J. H. Ryan.]

Commission attempted to apply it they found so many anomalies that they had to establish some kind of board to apply it, and they called upon the Service.

I would like to read you a letter addressed to the Federation by the Civil Service Commission, dated 31st July, 1919. This will show the confidence that the Commission had in the Civil Service Federation at that time. (Reads):

DEAR SIR,—As I stated to you this afternoon, the revision and adjustment of the classification schedules of the Public Service is now proceeding.

Some schedules can be rectified by the Civil Service Commission, in the light of recent information; some by the Civil Service Commission, in conference with the Deputy Heads of Departments, while others will call for further investigation. As to the latter class additional representations may be invited by the Civil Service Commission, or may be tendered on behalf of the classes of officials affected.

To deal with such cases, it is proposed to constitute a Board of Hearing and Recommendation, composed of one member of the Civil Service Commission, two departmental representatives and two representatives of the Civil Service.

The Deputy Ministers have undertaken to nominate the Departments' representatives, and the Civil Service Commission will name one of its members; the method of choosing the representatives from the Service yet remains to be determined.

Did time permit the machinery might be devised to secure from the Service at large elected representatives, but that course would occupy some weeks, while the need is immediate.

The Civil Service Federation, representing as I understand, most of the organized service, affords the one direct channel known to me, through which to obtain the necessary expression. May I, therefore, ask the executive of the Civil Service Federation, to take the matter under advisement, and if they will do so, to appoint representatives to the Board as early as possible; one of these should preferably have had military service overseas.

Let me add that it is desired to establish confidence on the part of members of the service in the endeavour of the Civil Service Commission to make the classification as accurate as possible; to obtain the benefit of the opinions and suggestions of men in the service who have devoted much time and study to the problems involved in the work of classification; to put to practical test a fair degree of co-operation between the employer and the employed, in adjusting questions of mutual concern, which inevitably arise from time to time in such a relationship, and which to-day it is believed in some quarters cannot as formerly be finally disposed of by but one of the parties interested; by mutual endeavour to complete the classification of the Public Service and secure if possible its adoption at the autumn session of Parliament.

Yours faithfully,

CLARENCE JAMESON.

I might state, for the information of the Committee, that the number of cases dealt with by that Board were in the neighbourhood of 500. Something over 300 were settled to the advantage of the Civil Service. Those are classes of cases where the classification could not be applied to whole classes. The fitness of the Civil Service organization to participate in Civil Service administration has been demonstrated in that way, and also their capacity to set their own house in order, by their own brains and their own ability, where outside experts have failed.

[Mr. J. H. Ryan.]

I have no further evidence to submit. On behalf of the Federation, I wish to express their appreciation to Mr. Woodsworth for the interest he has taken in this matter.

The CHAIRMAN: Mr. Callaghan, who gave evidence at our first regular meeting, and who was to come back and clear up certain points in connection with his evidence, is here. We were dealing with certain cases of dissatisfaction, and Mr. Callaghan said he would hunt up the necessary information and come back and give it to the Committee.

Witness retired.

W. J. CALLAGHAN, recalled.

The WITNESS: When I was here before, I mentioned that I had dealt with, or had heard, five hundred grievances. I meant, at that time, that five hundred individuals had approached me on various matters, either by letter, personally, or otherwise. In summing these up, I find that a great number of them refer to a similar subject.

The first one was the case of the old Second Division. About twenty-five approached me, and about forty were concerned. This is an old question, dating back to 1917; and very little has been done, and I do not believe anything can ever be done.

The next case that came along was the case of the stenographers. After the revision of 1923, which was effective in 1924, the stenographers found that their limit was the maximum of grade 3. I can recall about thirty-five different stenographers interviewing me in regard to that particular subject. I can only estimate the number that it affects in the Service; it might be five hundred, or it might be more. That has been remedied by the last salary revision, by a clause in the Order in Council which provides that stenographers in grade 3, may be promoted to grade 4. That was brought about through the medium of the Civil Service Commission and the government last year.

The next case is that of the elevator operators; about ninety affected. I am sure that almost half of them have spoken to me personally, and troubled me considerably in regard to their particular grievance, which is a salary one. That was referred to the Commission. The Commission assisted in every way possible. They detailed a man to investigate that case, but the report was not favourable to a further increase in salary. The trouble with the elevator operators is that the majority are receiving \$1,260, which is \$60 above the maximum of the present classification. Therefore, they received very little at the last salary revision.

The next case is that of the senior clerks. About one hundred and fifteen have communicated with the Association, and I think about four hundred are involved. That case is pending, and I believe that it will be satisfactorily settled through the medium of the Civil Service Commission.

Another case was the D.S.C.R. employees. This case involves about 1,200 employees. It was a case where a deduction of five per cent was made from their salaries and kept in a separate fund. This amount of money was retained, and the Finance Department would not allow them to be considered as permanent Civil servants, and the Department retained the money and no interest was paid. They were continually complaining. About fifty or more approached me and wanted their money back, as it was bearing no interest. The amount involved was, I think, over \$100,000. Finally, through the medium of the Minister, these employees were told that they could have this money returned, if they so wished. The majority, with a very few exceptions, applied for the

[Mr. W. J. Callaghan.]

return of the money. This case was commented on in the Auditor General's report each year, as the money was kept in what the Auditor General considered to be the incorrect fund.

The next is the office appliance operators. A considerable number have approached me claiming that, as office appliance operators, they are prevented from being promoted into higher clerical positions. No action has been taken in respect to that, but I believe that the Commission will consider applications from office appliance operators for higher clerical positions. I have noticed one of the advertisements, recently, where they were invited to make application. That matter is cleared up, to the best of my knowledge.

Then we have the case of clerks classified at \$1,260, and drawing \$1,440 salary. They received nothing at the last salary revision. They were very much offended, and thought that they should have received something then, particularly as they suffered reduction in salary at the former revision. According to the Order in Council, they are receiving a certain amount of money above the new maximum established by the last salary revision, and it is impossible for them to receive anything. They were greatly dissatisfied, because they suffered a reduction in 1925, and received nothing last year.

The next case, regarding which about twenty-five individuals approached me, was the abolition of positions. There has been considerable trouble where positions are abolished. They feel that they should be entitled to superannuation. The first case that came up, in regard to that, has been finally disposed of, and the girl has been allowed her superannuation. This is entirely satisfactory to the Service. If this same procedure is followed in all cases, where positions are abolished through no fault of the civil servant, and if superannuation is granted, I think it will meet with the satisfaction of the Service.

The next case concerns employees in the D.S.C.R. who were transferred to the Imperial Pensions branch. There are also temporary employees on the waiting list of the Civil Service Commission, who have been employed three or four years, and have not been made permanent.

I would like to say that during the last two years only three cases of dismissals have been brought to my attention. I do not think any of these have been finally decided, but, in my opinion, the Department was fully justified in one case. It is peculiar to think, with so many other grievances, that we hear so little about dismissals. We must admit that the Departments and the Commission are very lenient in the case of dismissals.

The above cases would cover about three hundred and thirty. The other cases were those where people complained about promotion. A certain person might receive a promotion where others felt they were entitled to it. They complain about certain civil servants being groomed for a position that is vacant; they are placed in positions where they fall into the promotion. These cases are purely individual, and in every case I told them that, as an Association, we could not interfere with the management of any department. I would never want to see the Association take that step, because we would cease to exist as an association in a very short time. Those complaining may be perfectly justified in their complaint, but, under the present system, it is impossible for the Association to take any action in respect of such complaints. It might be that board of appeal, of some nature, would be very beneficial, and would tend to improve conditions. I do not mean to say that it would change the decision of the Commission, but those who are dissatisfied would be given an opportunity to air their grievance. When the matter was explained they might continue with their work and hope for the next vacancy and promotion.

I have one instance in mind. A certain individual, the oldest in the branch, with thirty-seven years' service, put in an application for promotion. A junior in the branch received the promotion. I believe the work would have been too

[Mr. W. J. Callaghan.]

hard for this man, if he had received the promotion, but he took it seriously to heart. He broke down in the office a couple of days following, and has been away for three months. He claimed that if he had had the opportunity of speaking to some person, of discussing the matter, and of getting a through explanation, he might have continued on with his work, and been contented. It is such cases as this that cause dissatisfaction.

That is about all I have to say in respect to grievances. Where there is a group of civil servants, or the Service generally is concerned, the Association has a splendid opportunity to give every assistance to the Commission and the departments, to rectify these matters. But when it comes to individual complaints—and they are just as numerous as with the groups—the Association has no right to interfere, and does not interfere. These employees have no means of obtaining redress, unless they approach the Commission personally, or approach the Minister personally. I know, for a fact, that a large number do interview their respective Ministers, and interview the Civil Service Commissioners about these things. If there were some means set up, whereby these civil servants could be considered, something like a board of appeal, it would alleviate the duties that now fall on the Commission and the respective Ministers. That is all I have to say in regard to the question of grievances.

By Sir George Perley:

Q. I believe the witness stated the other day, if I remember right, that in two years he had had something like five hundred complaints, or suggested grievances. He thought that about half of them had no foundation. I was trying to arrive at the proportion of grievances that was really being dealt with under the present system. In other words, what proportion of the grievances is not being dealt with effectively one way or the other? As I understand his evidence, this morning, nearly all of these five hundred grievances have been dealt with. I do not mean to say that they have all been put right, according to those who advocated them, but I understand the witness to say that nearly all of them have been dealt with in an effective manner under the present system. Is that right?—A. Judging roughly from figures, and from my memory, I would say that about seventy per cent of them have been dealt with. They have been dealt with by either the departments or the Civil Service Commission. The other thirty per cent cover purely personal matters, within the departments, with which the Association could not deal.

Q. Regarding promotions?—A. Regarding promotions, and other matters affecting promotions.

Q. So that, except for dissatisfaction in connection with promotion, I understand the witness to say that the present system works out fairly well in practically all cases?—A. There is just this one thing, Mr. Chairman. This association is purely a voluntary association. The officials act voluntarily. They have to work every night, after office hours, in order to carry on this work. This association is growing each year in numbers, and the work is becoming very, very heavy. Of course it is left to a few officers to carry on our business. Our officers who are engaged in this line have to look to their own future; they take risks every day, and they never know when they are going to meet with trouble for themselves; in other words, in order to carry on this work efficiently they have to forget their own future.

Mr. NEILL: I think this association ought to be congratulated upon having such a gentleman as this witness for one of their officers. They have actually got some action, and they have actually got some sympathy and co-operation in respect of some grievances. I can understand his point of view, and what he has said constitutes the strongest argument I have heard since I have been here in regard to the Civil Service Councils. It is not fair that this man should

[Mr. W. J. Callaghan.]

take up any more of his time coming here to give evidence, because he has already submitted the best argument I have heard, and he is doing work that is necessary to be done.

By Mr. Chevrier:

Q. You have said that you have satisfactorily solved these difficulties, that the organization is a purely voluntary one, having no constitution, no legal constitution, and no recognition in any way. What you want now is the establishment of machinery which will function in the same way as the voluntary institution is functioning; is that it?—A. Yes, Mr. Chevrier, that is what we need, because the Civil Service Commission could very well tell me, if I went over to see them, to go back and carry on my work. If I went to the Minister or the Deputy Minister, he could tell me likewise, but I must say that the greatest consideration has always been given to us, not only by the Commission but by the Ministers.

Mr. NEILL: I think it is unfair to put the witness in that position.

By the Chairman:

Q. What about the Board of Hearing and Recommendation in 1919; do you think that Board served a useful purpose?—A. The Board of Hearing served a very useful purpose in 1919. It gave an opportunity that perhaps the Service lacks to-day. A representative from the Commission and a representative of the men sat down side by side with the appellant, discussed his work, whether or not it was worthy of consideration, whether or not he deserved a higher classification. His arguments were advanced, and they accomplished something worth while. They satisfied the man, and in many cases improved the conditions in the Service. It was successful. Something of a similar nature might be of great benefit to the Service to-day.

Q. Would a Board of Hearing, or a recommendation along that line, be satisfactory to the Service at the present time, under the Civil Service Commission of course?

Mr. CHEVRIER: It could not be under.

By the Chairman:

Q. A separate organization?—A. The Board of Hearing and Recommendations gave findings, requiring the approval of the Civil Service Commission, and in nearly all cases, as far as I know, they were approved by the Civil Service Commission. Now, a Board of Hearing or a Board of Appeal, whose recommendations would be approved and put into effect, would be satisfactory; but looking to the future, it is impossible to tell what the personnel of the Commission may be fifteen years from to-day, and whether or not they might take an opposite view to that of the Board of Hearing. It is with the idea of preventing such a thing that we thought a National Council would carry on this work legally. But as far as the Civil Service Commission could carry out the recommendations of any Board of Hearing that might be set up, it would be satisfactory, because it would be carrying out the purpose for which it was constituted or instituted.

Mr. WOODSWORTH: There is another statement I was going to refer to, not from the witness; it is something else.

The CHAIRMAN: Are there any other questions anyone wishes to ask of this witness? If not, I think that is all, Mr. Callahan.

Witness retired.

[Mr. W. J. Callaghan.]

Mr. WOODSWORTH: I would like, Mr. Chairman, to bring to the attention of the Committee some statements made in a communication I received the other day from a member of the Professional Institute of the Civil Service, the Winnipeg branch. The Winnipeg branch has not had an opportunity of meeting, but the writer dissents from the evidence given the other day by Mr. Cameron, and refers to some resolutions which have already been passed by the Winnipeg branch. As far back as 1925 the Professional Institute called attention to one of the existing conditions in the Service, in the following resolution:

Resolved that the examination facilities of the Civil Service Commission, either oral or written, should be used to the fullest extent possible, other than the mere ratings for length of service and efficiency, in order that the functions of the Civil Service Commission be not unduly interfered with, as indicated by Dr. Roche's address to the Institute in November, 1922.

They complain that the men are not given any chance for promotion on their own merits, that having to appeal to the Civil Service Commission is unfair, and that some provision should be made to cover the point. A short time ago a Mr. Graham, of the Soldier Settlement Board, asked for a special investigation with regard to his dismissal. A special investigator, Judge Stubbs, of Winnipeg, was appointed. The investigator brought forward some rather serious charges against the conduct of the Department. I should like to read one paragraph which has been specially marked for me.

If heads of departments and superior Civil Servants are allowed to treat their subordinates and inferiors in the improper and unfair manner in which Graham was treated, with immunity and impunity, and without redress and vindication to those so treated, then no subordinate government employee could or would feel safe in the tenure of his office.

The Winnipeg branch of the Professional Institute commended the findings of Judge Stubbs, "as a pronouncement tending to affirm and secure the rights of Civil Servants not in senior positions." That resolution was passed in Winnipeg on November 8, 1927. I think it is only fair that these representations of the Winnipeg branch of the Professional Institute should be placed before the committee.

Mr. NEILL: Was Mr. Graham reinstated?

Mr. WOODSWORTH: I do not think Mr. Graham was reinstated, but he was given costs, and so on. His charges of wrongful dismissal and unfair treatment were supported by Judge Stubbs, the special investigator appointed by the Hon. Robert Forke on January 21st, 1927. "His report states the alleged reasons which were given by officials of the Board for Graham's dismissal were part of a frame-up, of which the assistant solicitor was the victim."

"The chief blame for the treatment Mr. Graham received is laid at the door of Major John Barnett, former western counsel for the Board, and later Chairman, who recently resigned from the latter position. 'The evidence established quite clearly that Graham had been improperly and unfairly dismissed and that the ostensible reasons for his dismissal were only pretexts to cover on ulterior motive. This conclusion is established by the documentary evidence apart from the oral evidence taken at the hearing. Graham was the victim of an undeserved, deliberate and premeditated wrong.'

Although not asked by terms of the original commission to make any recommendation the commissioner states that in simple justice circumstances warrant the government paying Mr. Graham's costs and reimbursing him all his legal and other expenses which he incurred from the beginning to end of his fight, 'to secure vindication to which he was entitled.'

The object in bringing this to my attention was to show how, under the old system, it was impossible to get redress. Anybody less stubborn than Mr. Graham could hardly have fought his way through such a case.

The CHAIRMAN: Are you through with your statement, Mr. Woodsworth?

Mr. WOODSWORTH: Yes. Although we have not got it officially, these resolutions are official, from that branch. They have not had time to meet, and of course cannot come before the Committee.

The CHAIRMAN: What about our next meeting? We have had a certain amount of discussion from the point of view of the Civil Service Commission, but we have had no members of that Commission before the Committee.

Mr. CHEVRIER: A few minutes ago it was mentioned that someone should come forward in criticism of the Bill. The Chairman of the Federation has asked me to tell you, that the Federation would be glad to consider Mr. Woodsworth's Bill and to appear. They have said that they could be here Tuesday next.

The CHAIRMAN: The Civil Service Commission has come into this investigation. What is the will of the Committee in connection with having representatives of that Commission appear before this Committee?

Mr. CHEVRIER: I would move that, Mr. Chairman. I see Mr. MacTavish, one of the Commissioners, is present. He might convey to the Commission the desire of the Committee, and let them arrange as to who should come.

The CHAIRMAN: Shall we ask one, two, or the whole three?

Mr. CHEVRIER: The whole three. I do not suppose they would delegate their authority to anybody else: I suppose they could arrange it. If any one of the three wishes to come, or if the whole three desire to come, I would have no objection. I would suggest that Mr. MacTavish discuss it with his colleagues, and they can decide how many should come. I would be satisfied with one, two or three.

The CHAIRMAN: Will you do that, Mr. MacTavish?

Mr. MACTAVISH: Yes, Mr. Chairman.

The Committee adjourned until Thursday, March 15th, at 11 a.m.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4—MARCH 15, 1928

WITNESS:

Hon. W. J. Roche, Chairman, Civil Service Commission.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MINUTES OF PROCEEDINGS

THURSDAY, March 15, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (The Chairman), Presiding.

Present: Miss Macphail, and Messieurs Chevrier, Grimmer, Hall, Howard, Jenkins, Sir George Perley, St. Pere, Tolmie, and Woodsworth,—11.

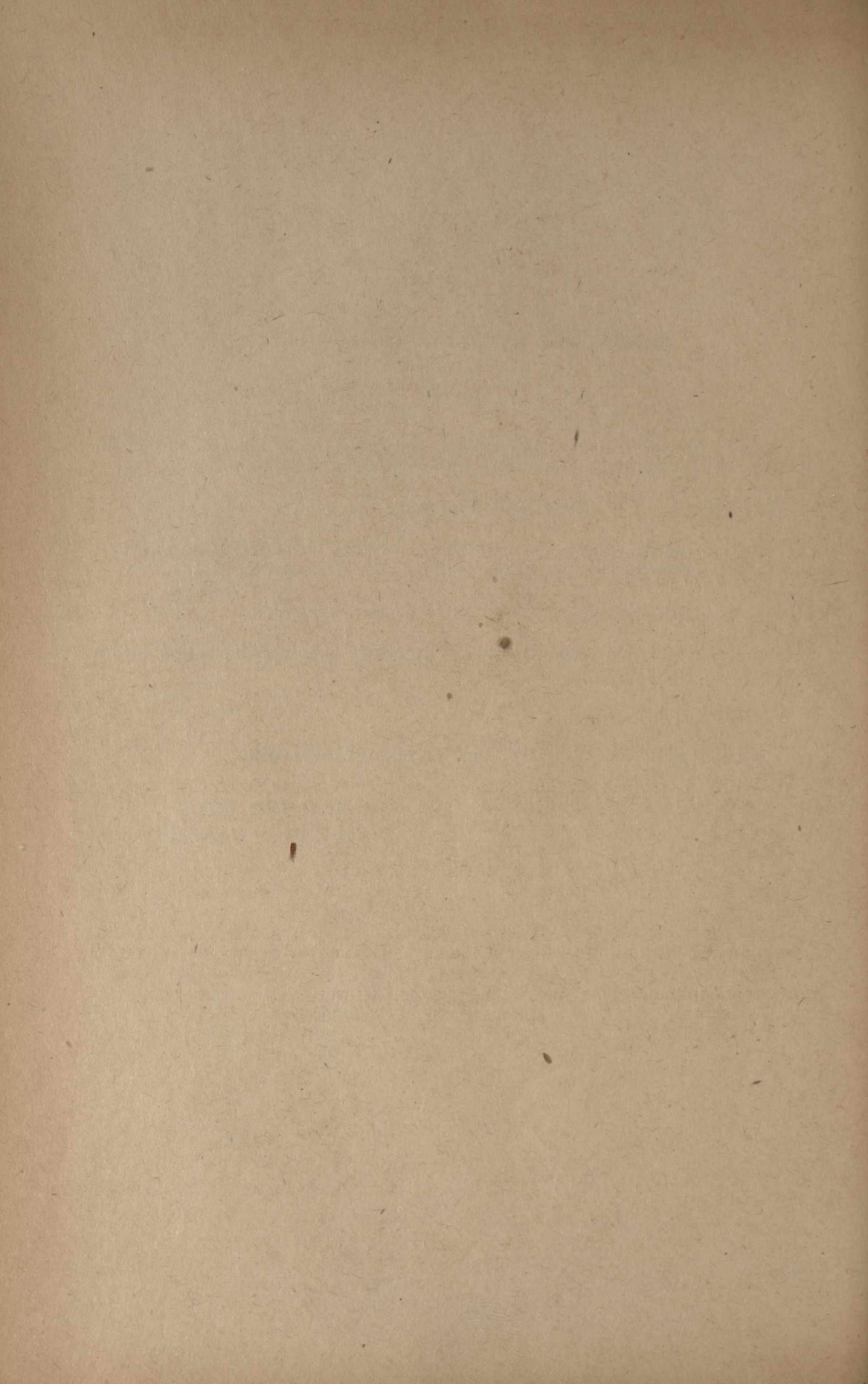
Minutes of the meeting of March 13 read, and approved.

Hon. Dr. Roche, Chairman of the Civil Service Commission, called, sworn and examined.

Witness retired.

Committee adjourned until 11 a.m., Tuesday, March 20th.

WALTER HILL,
Clerk of the Committee.



MINUTES OF EVIDENCE

ROOM 375,

HOUSE OF COMMONS,

THURSDAY, March 15, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m.

Mr. C. R. McIntosh, the Chairman, presiding.

The CHAIRMAN: If you will come to order, we will have the minutes of the last meeting read. (Minutes read and adopted).

The CHAIRMAN: In accordance with the wish expressed by the Committee at the last meeting, we have here, this morning, Dr. Roche, Chairman of the Civil Service Commission. We will find out from the doctor how many are to testify on behalf of the Civil Service Commission. That was to be settled amongst themselves.

Hon. Dr. WILLIAM J. ROCHE, Called and sworn.

By the Chairman:

Q. Dr. Roche, you are chairman of the Civil Service Commission?—A. Yes.

Q. Will you just proceed, Dr. Roche. You are acquainted with the reference before this Committee are you not?—A. Mr. Woodsworth's Bill?

Q. Yes.—A. I have a copy of it here.

Q. Please proceed and give us in brief your ideas in regard to that Bill, or any information you may have bearing upon it. The Committee will later on interrogate you and obtain additional evidence on the points raised.—A. Mr. Chairman, I must admit that the Civil Service Commission have not carefully considered the organization and functions of Civil Service Councils. From time to time representations have been made to the Commission by the organized Civil Servants, from various associations; and we found there was considerable difference of opinion among the Civil Servants themselves, so that we have not a clear conception of just exactly what is in their minds.

The important part, in connection with this Bill, so far as the Commission is concerned, is what is intended to be the scope of the duties of the National Advisory Council and, if a Board of Appeal is to be set up, what are to be its duties.

As you are aware, my two colleagues have only been on the Commission for a little over a year and a half, and though probably there might be a little difference in our personal views, on the general principles I think there is no difference whatever, and they desire that I should represent and speak for the Commission.

Q. You are the only one that will represent the Commission?—A. Yes. We did hurriedly run over the Bill as drafted, when we were waited upon by some of the representatives of the Civil Service Organizations a few days ago.

[Hon. W. J. Roche.]

The National Council clause in the Bill, Subsection 1, provides "The Governor in Council may establish for advisory purposes National and Departmental Councils."

I presume that the intention is to have that National Council representative of the service throughout the Dominion of Canada, and therefore it is as to the practicability, or otherwise, of that National Council being able to function satisfactorily that the Commission is rather in doubt. We do not know what the scope of the matters are over which they are to have jurisdiction. It might be, for instance, that they would be there to make representations on the salary question in an advisory capacity. Well, I can see some practical difficulties in functioning on that question, for this reason: the Bill suggests that the National Council should meet at least four times a year. If they are going to act in an advisory capacity, I presume their advice would come prior to action being taken by the Civil Service Commission. At present the Commission acts in connection with salaries upon a written request from the Deputy Minister of the Department. We have no initiative, and we must await that written request from the Department itself. That comes direct to the Commission. The Commission instructs its investigating officers to investigate the case and report to the Commissioners the result of their investigation. Now, if the National Council is going to act in an advisory capacity to us, it is going to cause a good deal of delay, only meeting four times a year, or even oftener. I can see that there is going to be some rather practical difficulties in the way of them functioning satisfactorily and without undue delay. If it is intended that the National Council should await the decision of the Commission, and then act in an advisory capacity, it would look as though they were constituting themselves a Board of Appeal from the Civil Service Commission. It is because of the obscurity of the scope of the authority which will be assigned to the National Council that I can see some probable difficulty.

By Mr. Chevier:

Q. But not because of the principle involved?—A. No, sir. The Commission is quite heartily in favour of co-operation with the whole, or any part, of the Civil Service organization or organizations. As a matter of fact, to-day, voluntarily, we approach the Civil Service organizations in many instances. To-day we are engaged, under authority from the Government, in revising the salaries of the technical and professional service. Before doing that, after getting all the information we could from outside sources as to salaries in the provincial services, the commercial world and so on, we have asked the Professional Institute of Civil Servants to assign a small committee to act in consultation with the Commission's investigating officers. We did that voluntarily, and therefore we are quite in harmony with the underlying principles of this Bill, for the forming of councils to act in a consultative or advisory capacity.

In regard to the setting up of an Appeal Board frankly the commissioners do not view that very favourably. There, again, it largely depends upon the scope of the Appeal Board. If the Commission decides upon a certain salary schedule for a class of Civil Servants, not for the individual, and the Civil Servants themselves are not satisfied with the Commission's decision; and if you take that to an Appeal Board consisting of a few, as suggested here, I do not think they will be in nearly as good a position, or as favourable a position, from the knowledge they have of Civil Service matters, to pass upon the salaries as is the Commission. I will admit that when the classification was first undertaken in 1918, everything was new to the Commission. We only had a few on our staff, about twelve, and we did set up boards, departmental boards, and a Board of Hearing and Recommendation. But now, years afterwards, after the classification has been finished, and appeals have been heard

and the departments generally have accepted the classifications set by the Commission, we have experienced officers who are specialists in this particular line whom we assign, certain of them, to certain departments, and they become very conversant with the work of the personnel of the various departments. They have not only to take into consideration the work of the immediate employee and of that particular class of employee; they have to preserve relativity in connection with the work as compared with similar employees doing work of equal importance, not only in the department concerned but in other departments. I do not think that any Appeal Board dealing with the salary question, and appointed to deal with the Commission, would be as well acquainted—I say this with all modesty, not with any personal meaning in regard to it, but because of the training the Commission's staff has had in this particular line of work—with what should be done. I think they are very much better qualified than a Board of Appeal, such as is provided by this Bill would be.

You must take into consideration the fact that the Civil Service Commission's staff are Civil Servants themselves. They have no object in keeping salaries down. If salaries go up, they themselves are going to be the beneficiaries. So that, when an investigating officer of ours goes into a Department, and after thorough investigation, classifies a position or a class of positions, giving the individual the opportunity of presenting his claims, and giving the head of the branch, or the Deputy Minister, the same opportunity, if they desire to avail themselves of it, a report is made and we place a great deal of reliance upon the investigating officer's report.

It is true that in many instances the Deputy Minister themselves do not see fit to accept it, and come back for a review of it, but some do accept it.

By the Chairman:

Q. How many of these investigating officers have you in the employ of the Board?—A. We have eight or ten, about ten. We assign one to one or more departments.

Q. Are they permanent employees?—A. They are permanent employees, university educated men, who have now had some years of experience in this particular line.

By Mr. Chevrier:

Q. There is no Board of Appeal now; there is an organization branch and an investigating branch?—A. That is what I thought the Chairman referred to.

By the Chairman:

Q. I referred to the Civil Service investigators.—A. The Civil Service Commission's Investigating officers number about ten.

By Mr. Chevrier:

Q. There is no Board of Appeal now?—A. No.

Q. The Chairman asked how many you had on your Board?

The CHAIRMAN: I was not referring to the Appeal Board.

WITNESS: I am now prepared to answer any questions any member of the Committee may desire to ask.

The CHAIRMAN: Has anybody any questions to ask of Dr. Roche?

By Mr. Chevrier:

Q. So far as I understand it, Dr. Roche, you agree in principle with this Bill: that is, you agree that there should be some kind of council? The Commission has no objection to councils being created?—A. No. We might have a difference of opinion in regard to their scope.

[Hon. W. J. Roche.]

Q. As to the Departmental Councils mentioned in the Bill you have not said a word. Are you in favour of them?—A. As a matter of fact, I think Departmental Councils would act more satisfactorily than a National Council by reason of the fact that they would be located here in Ottawa, in the various departments. When we were classifying the service, and the Arthur Young people had finished their classification, we gave an opportunity of appeal, first, by allowing the civil servants in every branch of every department to select a representative, who would be a member of an appeal board, as you might call it, a local appeal board. Then we, associated with the representative of the Civil Servants, a representative of the Commission. Each case that was appealed came up before those two men. The Deputy Minister also assigned a man as a rule. If, after hearing the evidence, those two men agreed, the employee being allowed to present his case, that the classification already set was a proper classification, it was accepted by the Department and the Commission. If there was a difference of opinion between the Commission's representative and the representative of the Civil Servants, it then went to what we called a Board of Hearing and Recommendation, that Board of Hearing and Recommendation being temporary, for this express purpose. The members were selected by the Deputy Ministers and by the personnel of the Civil Service, and one, who acted as chairman, my former colleague, Commissioner Jameson, represented the Commission. The appeals were taken to that Board. Their decision was not final. It was, as the name indicated, a Board of Hearing and Recommendation. Then it came to the Commissioners. In a large majority of cases, their recommendations were approved. Personally I felt that, inasmuch as the Commission had selected one of its representatives as Chairman, we considered, out of loyalty to him, that we ought to back up his decision. But that was at the time the classification problem was up.

Q. That Board does not exist any more?—A. No, it has not, for some years.

Q. How would the Commission view the appointing of a similar Board now?—A. You mean to act permanently?

Q. Yes.—A. Well, what would you have in mind, Mr. Chevrier, in regard to their duties, the nature of their duties?

Q. With the same scope as a Board of Hearing and Recommendation?—

A. If you mean that each individual who was dissatisfied with his salary would be allowed to come before that Board, we would not view it with favour. It would become a grievance board.

Q. Would you favour, or would you countenance, the creation of a Board constituted somewhat as the Board of Hearing and Recommendation was, to which a Civil Servant could appeal, or go to, before a matter was finally decided by the Commission, giving it the same scope as the former Board of Hearing and Recommendation had?—A. Are you talking now of a Board constituted in exactly the same way as the old Board of Hearing was constituted?

Q. Let me put it in this way; instead of asking you what you would not countenance, what would you countenance? What kind of Board would the Commission favour?—A. Well, personally I think that Departmental Councils of the Civil Servants, where, after consultation among themselves, they could tender advice upon any matter over which they have jurisdiction, would be of great assistance to the Commission.

Q. The Commission would not view with favour the creation of a Board where individual cases could be brought up by each individual?—A. No, I think that would be a mistake.

Q. Would the Commission countenance the establishment of a Board, to which representations could be made by certain associations, or federations of employees, along general lines, instead of on individual grievances?—A. I would not at all object to that, Mr. Chevrier, although frankly I do not see the absolute necessity for it, inasmuch as at the present time the civil servants are

so very well organized. Not only have they their Civil Service Association in Ottawa, but they have a Federal Civil Service Association for the whole Dominion. They have the Amalgamated Civil Servants in Western Canada, which body is now, I think, invading Eastern Canada. They have a Customs Dominion organization and a post office organization where each branch has its association practically. They also have the Letter Carriers Association, some members of which are affiliated with the Federation and others are not. Then there are the postal clerks and the railway mail clerks; each one of these classes of postal people have an association of their own to-day. They have free access to the Civil Service Commission, to make such representations as they desire, and we give them every opportunity. They are coming in almost every month, sometimes every week, and we welcome them. Within the last month we have received representatives of the postal clerks and representatives of the railway mail clerks. Only yesterday I had a deputation of postal helpers. Therefore I do not see the necessity of establishing another board of civil servants when they have such access to the Commission, who at present, under the Civil Service Act, have authority to pass especially upon the salary question.

Q. The only thing I have in mind is this; even though that can be done to-day by the different organizations, you would not object, or the Commission would not object I suppose, to the creation of a special body with an equal status, who would make, as one body, the representations which are now being made to the Commission through these various organizations?—A. We would not object, if their functions were confined within certain limits, and they were to act simply in an advisory capacity, not as a Board of Appeal.

By Miss Macphail:

Q. Do you not think a Bill like this would assist Civil Servants who are now unorganized, because it is true, according to the evidence we have had before the Committee, that there is a large proportion of the service, which is unorganized. This Bill would make it as fair to them as to the organized service, which is not now the case?—A. I understood there was a provision in this Bill which provides that the representatives to these Councils shall be selected by the various organizations.

Q. But there is no way open to the unorganized Civil Service?—A. Under the Bill I do not see that there would be.

By the Chairman:

Q. The minute your Civil Service Council was organized, the tendency throughout Canada would be for every Civil Servant to become a member of the organization?—A. It might be an incentive to join some organization.

By Miss Macphail:

Q. From the evidence before the Committee, I gather that there are a lot of Civil Servants throughout Canada, not in Ottawa, who are much more anxious for the establishment of some sort of council than the Civil Servants in Ottawa. It looks to me as though the close proximity here to the Civil Service Commission, and to the Deputy Ministers and the Ministers, and to the Government, makes it so that it is not so vital a thing to them as it is to the service throughout Canada. We must remember that there is a large proportion of Civil Servants throughout Canada. What is the proportion, do you know?—A. There is a larger proportion outside, I should think, probably four to one.

Q. Their Interests should be thought of. They seem to be more unanimous on what they want than the civil servants resident in Ottawa?—A. I presume the reason for that is that, located right in Ottawa, they have at all times such free access to the Commission. Is not this the fact, or am I wrong in assuming,

that if you were to exclude the salary question from the jurisdiction of a National Council, or a departmental council, there would not be nearly the same agitation for these councils? Is it not in the minds of the civil servants that this is the vital question?

Q. I presume that is the vital question. It is with other people anyway.

By the Chairman:

Q. We have had evidence before the Committee that salary was the vital question, but that the salary question was not the only question?—A. No, there is the question of dismissals for instance.

The CHAIRMAN: There is also such questions as the better organization of the service; and the attainment of the ideals for which the service stands.

By Miss Macphail:

Q. Dr. Skelton told us that in Great Britain the National Council in England worked better than the departmental councils, that the National Council was much more successful in its working out than the Departmental Councils were?—A. Two years ago the chairman of the British Civil Service Commission visited Ottawa and I particularly questioned him as to the success, or otherwise, of the Whitley Councils. He admitted that they were of considerable benefit to the civil servants in the early period of their organization, right after the war, and that it was the Government's desire to meet practically every reasonable request of the civil servants; but now, of recent years, it is a question largely of asking on the one side (the staff side) and refusing on the other, and he said that they were largely at a deadlock.

Q. That is quite similar to the evidence given by Dr. Skelton?—A. If this Bill comes before Parliament, I would make a suggestion. I hope you will not misunderstand me in making it, because it is a suggestion of the Commission. Take subsection 5, page 2, "Organization, scope, functions, and administration shall be agreed upon at the first meetings of the National Council and confirmed by Order in Council." Now, although the Civil Service Commission is supposed to figure in these Councils there is nothing said there about the Commission at all, and my colleagues and myself think that it would be an improvement in the wording to insert after "National Council," the words "approved by the Civil Service Commission and confirmed by Order in Council."

By Mr. Chevrier:

Q. In other words you do not want the Commission's authority to be done away with?—A. No, because of this fact: You will remember Mr. Chevrier, that the Malcolm Committee, after hearing evidence upon this point, made a report to Parliament, and recommended that the Civil Service Commission itself establish departmental councils, that is, that Parliament should give the Commission that authority. When the recommendation was made by the Committee to Parliament to that effect, we did not think that, when they were going to give authority to the Commission to establish councils, there would be any objection to putting those words in. There are so many references now that go to the Governor in Council marked "Approved by the Civil Service Commission." The same in subsection (6) "shall be agreed upon by the national council." We would suggest in the second last line, the insertion of the words "approved by the Civil Service Commission and confirmed by Order in Council."

Q. Do you know, Dr. Roche, of any objection now in the way of the establishment of these councils either under the Civil Service Commission, or otherwise?—A. You mean that they would have the power of doing it without Parliamentary authority?

[Hon. W. J. Roche.]

Q. Yes?—A. I think they have.

Q. You would welcome the creation of a council such as a National Council, whose functions would be purely advisory, to discuss matters of policy for the departments of the service, but you would not countenance anything by way of the creation of any council that would have the final say over the Civil Service Commission, as a Board of Appeal?—A. I think you have stated the fact just about as we look upon it, for the reason that Parliament has already entrusted to the Civil Service Commission a far larger power than you will find usually assigned to Commissions that they have constituted.

Q. You mean that they are a Board of Appeal themselves?—A. Subsection (7) says: "There shall be a Board of Appeal, composed of three members for civil servants, against suspension or dismissal from the service, or against claims of unjust treatment within the departmental jurisdiction." Let me draw the attention of the Committee to the words: "Or against claims of unjust treatment within the departmental jurisdiction." You can place a pretty wide interpretation upon that expression. Under that, every individual who has a grievance, real or imaginary, could take it to the Board of Appeal.

By the Chairman:

Q. In your opinion, would there be any more difficulty in the organization of Departmental Councils in the service outside of Ottawa, in other parts of Canada, than there would be in Ottawa?—A. They would have to be in the larger cities, where the major portions of the Civil Service are located, in order to have them meet periodically; otherwise it would be a matter of considerable expense, if they were scattered throughout the provinces.

Q. The matter of organization would be in the hands of the civil servants themselves?—A. Yes.

Q. If they had a grievance and could not present it themselves, they could go to another and larger city, where an organization would be in existence?—A. Yes.

Q. On page 5, of the report of our meeting of March 5th, we have some evidence bearing on Department Councils and National Councils. I think the question was brought up by Miss Macphail, and Mr. Chevrier asked "Mr. Chevrier: Might I ask Dr. Skelton whether, in his opinion, this Whitley Council, as constituted in England could be adapted to the Civil Service of Canada?" Here is Dr. Skelton's answer. "Mr. Chevrier, I think that is what this Committee is here to answer, and as one whose experience in the Civil Service is comparatively limited, I could not venture to give any dogmatic opinion. I am inclined to think it could, but, as I said, I would be inclined to emphasize the National Council rather than the departmental or local council, something along the lines of the suggestions made by the Civil Service Federation." There you have Dr. Skelton on-record as saying that in his estimation the National Council could be brought more easily into existence and function?—A. Yes. I remember Dr. Skelton being asked, before he went overseas, to make some inquiry and find out how the Whitley Councils were functioning, and I have no doubt he has given his deductions from what he observed in the Old Country. Of course there is a marked difference between the British Civil Service Commission and the Canadian Civil Service Commission.

By Mr. Chevrier:

Q. What is the difference?—A. The difference is that Parliament has given the Canadian Civil Service Commission a very much larger jurisdiction. In England, it is principally an examining board.

Q. The Canadian Civil Service Commission has a much wider jurisdiction?
—A. Yes.

Q. Than the British Civil Service Commission?—A. Than the British Civil Service Commission.

Q. Is there a Civil Service Commission law in England as there is a Civil Service Act in Canada?—A. No, they largely function there by order in council.

Q. So that, when we are told that the Civil Service Commission of Canada was modelled on the Civil Service Commission of England, that is not so?—A. Well, it is only so in a limited way; that is to say, the principle underlying both is the same.

Q. What is the difference, if I may ask, between the Civil Service Commission in the United States and the Civil Service Commission in Canada?—A. Well, there is more similarity between the Federal Civil Service Commission of the United States and the Federal Civil Service Commission of Canada than there is to the British Civil Service Commission so far as their functions are concerned.

Q. And what is the difference, if any, between the jurisdiction of the American Civil Service Federation law, as compared with the Canadian Civil Service Commission?—A. I think that in some respects, their jurisdiction even goes beyond the jurisdiction of the Commission in Canada; in other respects, they are more restricted. For instance, the jurisdiction of the Civil Service Commission in Canada as to dismissals, is nil, and the United States Civil Service Commission hear appeals in regard to dismissals.

Q. How would you compare the two with regard to the matter of appointments?—A. In the matter of appointments they are much on a parity.

By the Chairman:

Q. With regard to that Board of Hearing and Recommendation, that was formerly in existence, was its work of a rather commendatory character?—A. Yes.

Q. Was it eliminated?—A. It was set up for the special purpose of hearing appeals against classification, when we had to classify forty thousand civil servants through Canada, and, of necessity, there were a great many appeals. Then, again, you must remember this; when it came to the point of functioning a couple of times a week, the members of the board felt that the labourer was worthy of his hire, and they wanted some special monetary consideration for their service in that capacity, which the then Finance Minister did not approve of. Perhaps they terminated their labours a little sooner on that account. I remember discussing the question with the Finance Minister, and he was opposed to the principle of civil servants receiving pay for two different positions. He said that as they were away from their ordinary duties, for which they were paid, they ought not to be paid for the same time for double duty.

By Mr. Chevrier:

Q. Is the reclassification all completed in the Service now?—A. It will never be completed. There are always changes, and requests, because of additional duties. The basic principle underlying classification is to classify the position in accordance with the duties, and not to classify the individual. With each additional duty, the employee thinks he ought to have an additional salary.

Q. So that, after all, there is no finality in this classification?—A. There is no finality with regard to the present classification.

Q. Because the duties may increase?—A. Duties which would warrant them going up into a higher class.

Q. And that would create at once the necessity for a reclassification of the position?—A. Well, yes. We call it reclassification, or re-appraisal of the posi-

tion. Supposing it is a Grade 3 Clerk, and his additional duties are commensurate with the duties that fall under Grade 4, it is really, in effect, a promotion.

Q. Is it not true that there are, at the present time, a large number of demands for reclassification?—A. Yes.

Q. And is it not true that there is a considerable amount of discontent and dissatisfaction in the Service, at the present time, as to reclassification and salary revision?—A. I do not know that the discontent is in regard to the principle underlying the classification. When a Civil Servant receives an annual increase, he looks upon it almost as a vested right. When he gets to the maximum of his class, at once he agitates to go into another class, so that he can start at the minimum and still receive his annual increase. As long as he remains in his present class, at the maximum, his annual increase ceases, and that causes a good deal of agitation. I have known of cases where individuals have asked, and received, additional duties, purposely to qualify them to go into that higher class.

By the Chairman:

Q. They believe in moving upward?—A. Yes.

By Mr. Chevrier:

Q. Do you not think that if the same Board of Hearing and Recommendation, or something similar, were still functioning, that would, to a large extent, do away with this discontent?—A. I do not think so, Mr. Chevrier, for the reason that those, whose cases were passed upon unfavourably by the Board of Hearing, were just as dissatisfied as if they had been passed upon unfavourably by the Commission.

Q. Do you not think that there ought to be a place where the civil servants would be able to express their own views?—A. Oh, yes.

Q. After all, if one has the consolation of expressing one's personal views before some tribunal, even though he is ultimately turned down, he can say, "well, I have had a chance of explaining my views, and I am satisfied." Do you not think that that would be a good thing, to have a place where they could appear and express their views?—A. Take, for instance, the Letter Carriers' Association. They present their representations much more intelligently than would the members of a national board, who were not letter carriers—I am just taking this as an example—and who were not conversant with their duties. They can present a stronger and more intelligent case. They have that opportunity now, and have exercised it in the past.

By Miss Macphail:

Q. Would they not still have that opportunity, and then have the added strength of a National Council representing the whole Civil Service?—A. Would that National Council pass upon their case before or after?

Q. I am not clear about that. I am sure that having a National Council behind the letter carriers, in the explanation of their case, whether it was a grievance, or whatever it might be, would strengthen their case much more than if they just came as carriers to the Commission.—A. As a Commissioner, I would place more reliance upon the letter carriers' representative than I would upon other civil servants who were not conversant with their duties. There are our trained officers, and the trained employees, and I do not think it would be wise to duplicate the machinery. It would look like setting up a second Civil Service Commission.

Q. But I think there is a general demand on the part of civil servants throughout Canada for some board on which they would have a permanent place, to which they could go and say what they want to say. That is all they are asking for, is it not?—A. I am not opposed to that. If the Civil Service

wants to establish a board of their own, which they wish to make a medium for passing on representations to the Commission, there is no objection on the part of the Commission.

By Mr. Chevrier:

Q. You could not stop that?—A. No, not at all. They have their Association now.

By the Chairman:

Q. The civil servants look upon the Government and the Department as being organized to meet them. Why should not the civil servants be thoroughly organized on a basis of equality, with respect to all legitimate grievances, to meet those with whom they are dealing?—A. If they have an organization that can function without difficulties, and without delays, and in an advisory capacity, there is no objection on the part of the Civil Service Commission.

Q. And that would be of benefit nationally?—A. It is largely, of course, as to the scope of their functions that we might have some difference of opinion.

By Mr. Neill:

Q. In the Malcolm Committee's Report, which was in 1923, it was recommended that the Civil Service Commissioners be given the power to establish, without delay, departmental personnel boards, and they described how they were to be made up, and what their duties were. Was that done, and if not, why?—A. No, it was not done, for the very good reason that Parliament never approved of that Report.

Q. Never approved of it?—A. No. Mr. Malcolm brought that Report up towards the end of the Session, and the Prime Minister asked that it be laid over until the following session. It was not taken up at the next session, nor has it been since, and, therefore, that Report has never been acted upon. The only thing in that Report that I recollect was acted upon by Parliament, was the Superannuation Act.

Q. They did act on part of it, in spite of it not being adopted by Parliament?—A. I am not going to say that it was as the result of the Malcolm Committee's Report that it was acted upon, because it had been under agitation for some years.

Q. There was a convention of Civil Service Organizations held last fall, and they passed a resolution in connection with Civil Service Councils, requesting, as a preliminary step, that the Government be asked to appoint a committee to draft a constitution, this committee to be composed of fourteen members, seven for the Government and seven for the civil servants. It is suggested by Mr. Woodsworth's bill that the scope and functions, and everything else, of the National Councils will be arranged by the Service, without any supervision apparently by anybody. Would not the procedure recommended by this body, apparently qualified to speak for all organized civil servants, be a better way of handling the situation to-day? That would probably be more acceptable than this Bill, which is somewhat vague in its detail, and which would have to be very much more precise before it could pass parliament. I would like your views on that point?—A. That is to say, that the Government would draft the constitution?

Q. No, the joint committee, which was asked for by the convention, would be appointed by the Government, and would draft the constitution?—A. I would think that would be a very satisfactory solution.

By the Chairman:

Q. That idea comes from the civil servants themselves?—A. Yes.

[Hon. W. J. Roche.]

By Mr. Neill:

Q. As far as we can get at it, this is the result of the united opinion of all the amalgamated bodies in existence. Apparently, as somebody told us yesterday, that is what they recommended?

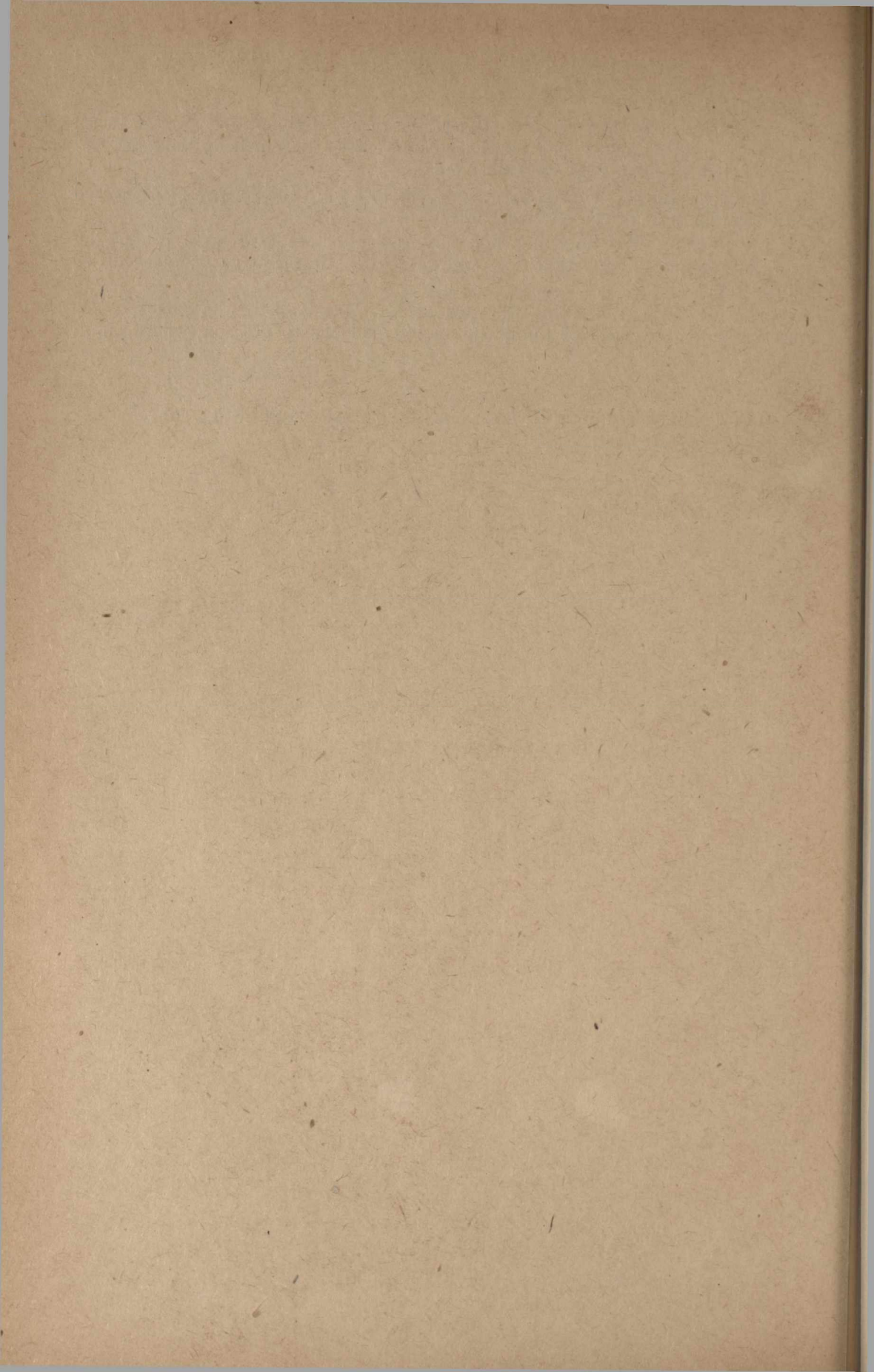
The CHAIRMAN: That is practically the last word in the way of organized action on the part of the civil servants.

Mr. NEILL: We have not had any real concrete expression of opinion from any organized body that they approved of the terms of Mr. Woodsworth's bill in toto.

The CHAIRMAN: I think the idea of Mr. Woodsworth was to bring this question into the arena of public discussion and try to get somewhere on it.

Witness retired.

The Committee adjourned until Tuesday, March 20th, at 11 a.m.



SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5—MARCH 20, 1928

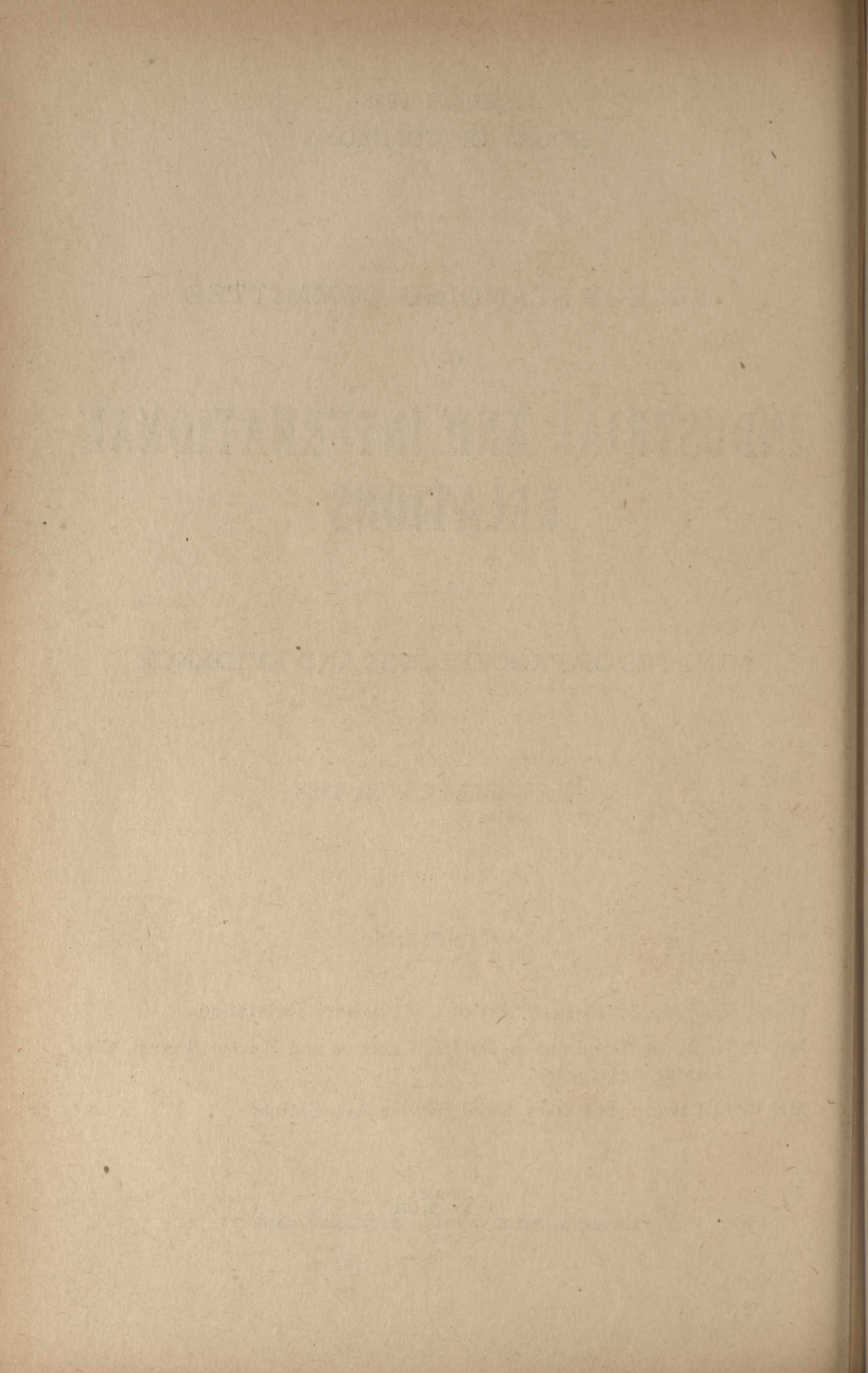
WITNESSES:

Mr. T. R. L. MacInnes, President of Civil Service Federation.

Mr. T. H. Burns, Dominion Secretary, Customs and Excise Branch, Civil Service Association.

Mr. V. L. Lawson, Secretary, Civil Service Association.

OTTAWA
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1928



MINUTES OF PROCEEDINGS

TUESDAY, March 20th, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day, at 11 a.m.

Mr. McIntosh (the Chairman) presiding.

Present: Miss Macphail and Messieurs Chevrier, Hall, Heenan, Howard, Jenkins, McMillan, Neill, St. Père and Woodsworth—11.

Minutes of meeting of March 15th read and approved.

Mr. T. R. L. MacInnes, previously sworn, recalled and further examined.
Witness retired.

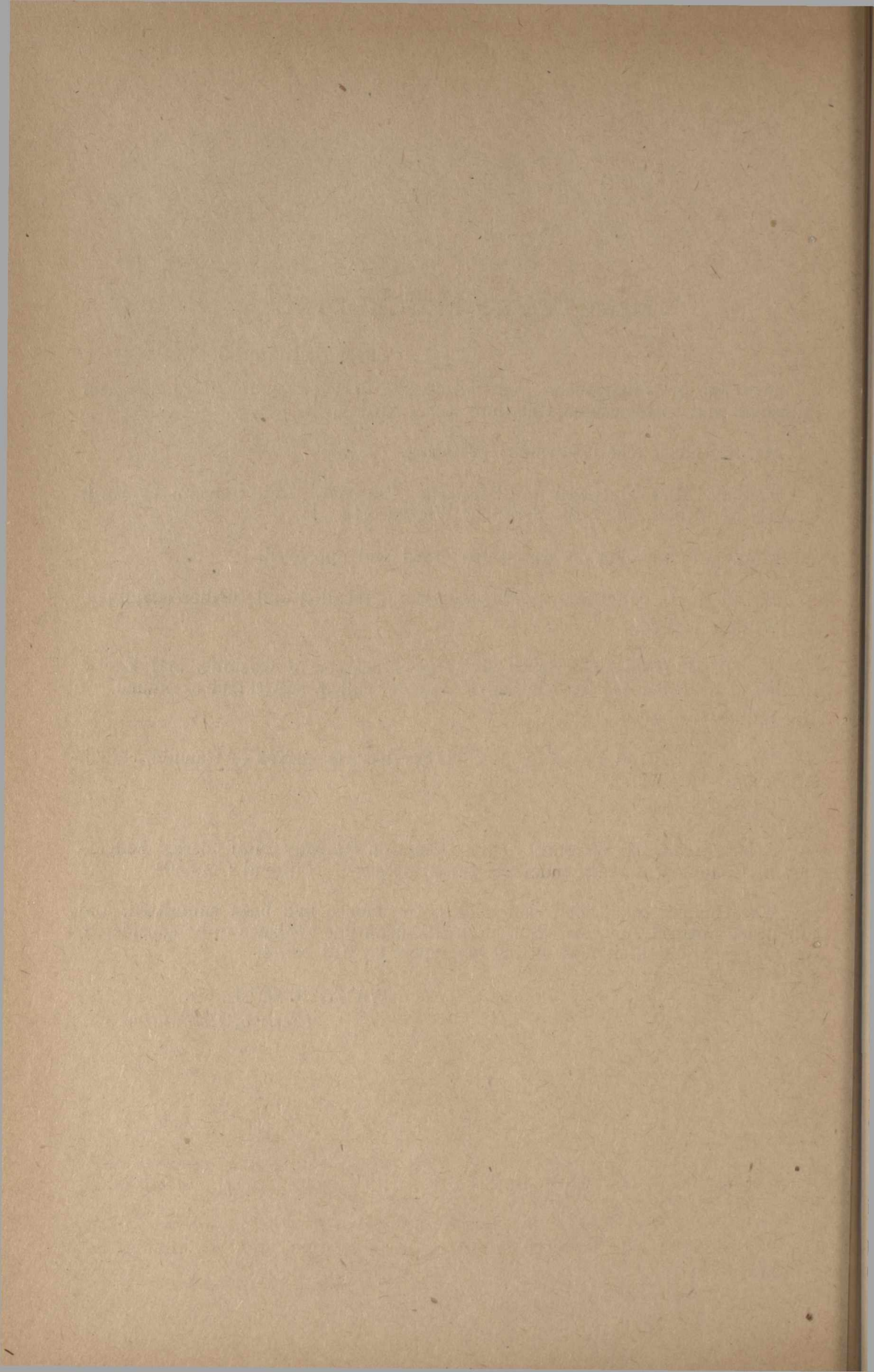
Mr. T. H. Burns, Dominion Secretary-Treasurer of Customs and Excise Branch of Civil Service Association of Canada, called, sworn and examined.
Witness retired.

Mr. V. L. Lawson, Secretary of Civil Service Association of Canada, called, sworn and examined.
Witness retired.

A letter from the Secretary of the Dominion Railway Mail Clerks' Federation of Canada was read, endorsing the principle of National Councils.

The Committee decided that sufficient evidence had been submitted, and adjourned until 11 a.m., March 27th, in the meantime evidence to be considered, and to prepare at their next sitting the report on Bill No. 4.

WALTER HILL,
Clerk of Committee.



MINUTES OF EVIDENCE

COMMITTEE ROOM 429,
HOUSE OF COMMONS,
TUESDAY, March 20, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., the Chairman, Mr. McIntosh, presiding.

The CHAIRMAN: We will now have the minutes of our last meeting read. (The Minutes were then read by the Secretary and approved).

Now, if you remember, Mr. MacInnes was here before, and gave evidence, and we wished him to go back and get in touch with the different organizations in Ottawa to get their ideas on this Bill. Mr. MacInnes is here this morning, and he is going to take up this Bill, I suppose fully, and not only give us his own ideas on it, but also present to us the ideas of the different Civil Service organizations in Ottawa.

Mr. WOODSWORTH: That is the executive.

The CHAIRMAN: Yes.

Mr. CHEVRIER: Of the Federation.

The CHAIRMAN: The Federation, yes. I will now call Mr. MacInnes.

T. R. L. MACINNES called and sworn.

By the Chairman:

Q. You may proceed now to make your statement, Mr. MacInnes?—A. Mr. Chairman and hon. gentlemen, before proceeding with the evidence this morning, you will recall that I mentioned to you the other day that there were some errata in my previous evidence, which were quite important.

By Mr. Chevrier:

Q. That is, in the report?—A. Yes. I have given a memorandum of that to the shorthand reporter now, and I ask that it may be corrected in that way without taking up the time of the Committee by reading the details of my corrections?

The CHAIRMAN: Yes, that will be quite all right, Mr. MacInnes.

(The memorandum of corrections referred to is as follows):

On page 16 of No. 1, March 5th, 1928, "Minutes of Proceedings and Evidence" at line 18, the words "is interested" should be struck out, and the sentence should read: "Our organization first introduced the question of Civil Service Councils into Canadian Civil Service affairs."

On line 19, strike out the words: "and it will be seen the matter has been before the Civil Service through our organization," and insert on line 21 after the figure 1919, the words: "It will be seen that the policy has been before Civil Service organizations in this country as long as it has in England."

On line 29, the word "Minister" should be "Ministers."

On line 30, the word "organization" should be "Civil Service organizations."

On line 34, strike out the words: "discussed these various matters" and insert the words "adopted a policy."

On page 17, line 17, after the figures 1926, this line should read "confirmed by the subsequent conference between the Federation and all unaffiliated organizations."

[Mr. T. R. L. MacInnes.]

On line 25 the figures "2,000" should be "3,000."

On line 38, delete the word "they" and insert "some twenty-seven."

On lines 41, 42 and 43, delete the two sentences from the words "It is two years—" to the words "to be proud of."

On line 46; strike out the words "as I say."

On line 50, strike out the words "structure and," and insert "future development of the service."

On page 18, at line 14, strike out the answer "yes."

On line 15, strike out the answer "yes", and insert the words "such as the Board of Pension Commissioners."

On line 17, 18 and 19, strike out the two sentences from the words "it would not work—" to "about the same form," and insert the words "and that a preliminary Committee with representatives from both the official and staff sides be appointed to consider the form that it should take."

WITNESS: I understood this morning I was to be questioned as to the attitude of the organizations with regard to the various sections of the Bill. Perhaps it would be well first to point out the organizations that we represent. They are not the Ottawa organizations only, but include organizations throughout the country. I am speaking for the following:—

The Civil Service Association of Ottawa;
 The Dominion Customs and Excise Officers' Association;
 The Dominion Public Works' Federation of Canada;
 The Marine Employees' Associations, at Quebec, Halifax, and Saint John;
 The Office Cleaners' Association of Ottawa;
 The Dominion Grain Inspectors' Association;
 The Dockmasters' Association;
 Dominion Weighing Department Association;
 Canal Employees' Association;
 Civil Service Association at Victoria, British Columbia;
 The Meteorological Association;
 Marine Labour Association, Quebec;
 Quebec Immigration Association;
 The Nova Scotia Immigration Association;
 The Maritime Fisheries Association.

All these bodies form a part of our organization, and I am speaking for them all.

By Mr. Woodsworth:

Q. To be clear, this Bill has not been actually submitted to these organizations?—A. No, not actually referred back to them, but all these organizations have left the matter entirely with our Dominion Executive at Ottawa to deal with, and to speak for them.

By the Chairman:

Q. That is, you have been in touch with certain members of every other organization?—A. We have not actually communicated since the Committee has been sitting, with all these smaller organizations at a distance from Ottawa, but they have previously given us carte blanche to negotiate on their behalf.

By Mr. Woodsworth:

Q. I am not discounting what the witness has said, but I want to be clear, because I have had a number of representations made to me that they have had no communications here with regard to this Bill. All I want to

[Mr. T. R. L. MacInnes,]

make clear is that the Bill itself has not been definitely before these various affiliated organizations. I think that is clear, is it not? It is obviously impossible?—A. Quite true, it has not been before them all, yes. I may say that in addition to our affiliated organizations, I have letters here of recent date from unaffiliated organizations, such as the Dominion Railway Mail Clerks' Federation, a letter dated March 10; and the Montreal Post Office Employees' Association, dated February 29. These letters are in support of the Federation's policy and leadership in this question. They could be read to the Committee if it is so desired. I am merely going over all this to make it clear that the position of the Federation is fairly representative of the service at large, throughout the country, on this subject. The opinion of our executive is that we approve this Bill in principle, and that we much appreciate the interest shown by Mr. Woodsworth in introducing it to practical politics. We, however, feel that we would have drafted various sections of the Bill in a little different manner than is done here; and some of the features of the Bill are at variance with our adopted policy which I read to the Committee at a previous session. But, I wish to make it clear that we do approve the principle of the Bill, and that we highly commend some of its essential features, such as the provision for a National Civil Service Council. Our organization is strongly in favour of one National Civil Service Council as a beginning in this movement, and that other smaller departmental councils develop later if it so eventuates from the operations and negotiations of the National Council. But, we do insist upon one National Civil Service Council. We, in our organizations do not conceive of the Service as being divided into an aristocracy, a bourgeoisie, and a proletariat or sans-culotte as some people seem to conceive it. We think that you might as well divide the Dominion of Canada into various sections and have a separate Canadian national parliament for each class of the community. On service-wide, nation-wide questions, we feel that the matter should be under the control of one National Civil Service Council, and not separate National Civil Service Councils, which is a misnomer anyway, for the various groups in the Service.

MISS MACPHAIL: I thought the other day we had a very fair exhibition of the upper class service; I think it was the top stuff, the Professional Institute, or some such body.

WITNESS: I do not wish to refer specifically to any organization. Now, there is another point I would like to feature which is not provided for in this Bill. It is our opinion that in order to make a National Civil Service Council successful the constitution of it should be considered and drafted by a provisional joint Committee, on which there should be representatives both of the official and the staff sides. That is the procedure which was followed in Great Britain, and it is the procedure which was followed under the Rockefeller plan, which was originated and sponsored by the Right Honourable William Lyon Mackenzie King. We think that experience has shown that that is the wisest method of procedure rather than to leave it to the Council to form its own constitution after it has met. We favour then a preliminary joint committee with representatives from both the official and the staff sides for the purpose of drawing up a constitution for the National Civil Service Council.

Now, with regard to the question of an Appeal Board, which is dealt with in clause 7 of the Bill, we purposely left out a specific recommendation on that subject when dealing with this matter at our Convention, because there were many views on the subject in our own ranks, and there are to-day. There are also many views on the subject in the official ranks, among the various departments in the Civil Service, and so on, and that very fact to our minds seemed to show that this was a subject which should be investigated by some body which does not exist to-day, but which would exist if we had that National

[Mr. T. R. L. MacInnes.]

Council. Such a council could go into the whole question with regard to grievances in the service, and see which method would be the best for dealing with them, whether through the Council itself or some other machinery which might be set up on the recommendation of the Council. We think the evidence before this Committee has borne out that position, because it has been apparent that there is a great divergence of opinion both among the members of the Committee and among the witnesses as to the details of working out a method of appeal. That does not, I would like to emphasize, show any difference of opinion among the civil servants, on the question of a National Civil Service Council; it merely shows a divergence of opinion with regard to the working out of details and methods, which, as I remarked before, is surely something that the Civil Service Council itself should investigate and try to find a solution for.

By Mr. Woodsworth:

Q. With regard to the evidence given by Dr. Roche, the last day the Committee met; he seemed evidently to be a bit afraid of National Councils. He was willing, apparently, to have Departmental Councils, but was opposed to National Councils. Would you care to make any statement with regard to their necessity, even in spite of the position taken by Dr. Roche?—A. Yes, notwithstanding anything that has been said at the last meeting of the Committee, we strongly adhere to the view that the National Council is the important consideration, and we do not see any reason why that body should clash either with the Commission or with any of the other authorities concerned in the administration of Civil Service affairs. Our hope is, that it would help them, that it would help not only the Commission, but the Deputy Ministers and the Government itself, and all the authorities concerned in the administration of Civil Service affairs.

Q. Dr. Roche seemed to take the position that there was very ready access to the Civil Service Commission, hence any grievance could very readily be aired. Have you considered that the machinery at present is at all sufficient?—A. No, it might be that a great number of grievances can be dealt with satisfactorily by the Commission at present, but, as I explained before to the Committee, a Civil Service National Council is something broader than that; it has in mind the idea of formulating constructive and beneficial ideas with regard to the development of the Civil Service in this country, and we feel that all those concerned should have a means of getting together on the subject, both the employees (through their organizations) and the various departments of the Government, as well as the Civil Service Commission; that all parties concerned would be given an opportunity of coming together for the exchange of their ideas and views, with the ideal in mind of improving the service and bringing about a condition which would be more satisfactory to all concerned than our present condition.

Q. Dr. Roche seemed to be afraid that the question of salary would enter into, and be discussed by, the proposed National Board. Was it the idea of your organization that the salary question should be discussed by the National Council?—A. Yes.

Q. It was?—A. Yes. I might point out at this juncture that salary questions are at present discussed in Civil Service conventions, and by Civil Service organizations, and that representations with regard thereto are made to the Government, to the Commission, and so on. We feel that through the National Civil Service council, salary questions could be more intelligently discussed, with more than one viewpoint being taken into consideration; that instead of the staff side simply considering its own viewpoint as it does at present, and the official side simply considering its own viewpoint, as it does at present, representatives of both sides could exchange their viewpoints in conference through the National Council.

[Mr. T. R. L. MacInnes.]

Q. Are you aware whether salary questions are discussed by the Whitley Councils in England?—A. Yes. I understand that they are.

Q. My information is to the contrary; that is why I ask?—A. I understand that they do not deal with individual salary appeals, but that questions of remuneration form a part of the scope assigned to the Whitley Council by its constitution. But that can be confirmed by other members of our organization who have the data.

Q. The other day the president of the Amalgamated Civil Servants took the ground that the Appeal Board should not be a central one, but that there should be a number of Appeal Boards, so that questions with reference to the service in Halifax, for instance, could be dealt with in Halifax and not in Ottawa. What is your policy in regard to that?—A. As I have just said our policy is that this question of evolving a method of dealing with appeals should be left to the National Civil Service Council, and I do not wish to anticipate the conclusions of the Council on that subject.

By the Chairman:

Q. A matter such as Mr. Woodsworth mentions, could not be settled locally?—A. Any question of appeal in a department would have to be finally settled by the head of the department.

Q. You would have to go to the source of power before it could be settled?—A. Yes.

MR. WOODSWORTH: Yes, but grievances, and things like that, small matters, could be settled locally; that is practicable. I mean that undoubtedly the Chairman of the Board, as representing the Government, would take no action unless he were quite sure that it was in harmony with the policy of the Government, but having taken that action, the settlement would be local.

By Mr. Woodsworth:

Q. Is that not the case?—A. I see no objection to the working out, as a subsidiary ramification of the scheme, what Mr. Knowles suggested. However, our organization has not adopted a specific policy with regard to that detail, thinking that these matters could be all settled by the National Civil Service Council, with both viewpoints available, before reaching a conclusion on the subject.

Q. What would you say about the criticism made several times by Mr. Neill—if I may repeat it. You wish to go farther than we have gone in this Bill, and leave this whole question of policy in the hands of the proposed National Council. Do you not think it would be well for us to have something to say about it?

MR. CHEVRIER: Not further, he makes it general instead of in detail. He would make it much larger without having any restrictions.

WITNESS: Leaving it subject, of course, to the approval of the Governor in Council. We do not contemplate any body which would have an over-riding authority, irrespective of the Governor in Council.

By Mr. Woodsworth:

Q. Do you think this whole arrangement with regard to Civil Service Councils should be merely a matter of departmental arrangement, or under an Order in Council, or do you think it should not be arranged by legislation?—A. I do not consider that it is material whether a National Civil Service Council is established by amendment of the Act or by Order in Council. The main thing in our view is, to get a National Civil Service Council. We feel that if you would give us that, we will do the rest.

[Mr. T. R. L. MacInnes.]

Q. This is the point I want to get at; you have been good enough to say that it is good of us to bring this into practical politics. That has been my purpose, to get some action. Now that we have a Bill actually before the house, and under consideration by a Committee, it would seem to me that your body is very largely responsible for—I am not saying it unkindly—side-tracking it and postponing any action. You want to go back of us and let somebody else draw up this legislation, let somebody more powerful than Parliament draw up the legislation, and let some future Council be appointed. I would suggest that you are assuming a fairly heavy responsibility for the Civil Service, if you refuse to either adopt or so modify this Bill that it will have some chance of passing the House, because it will then be taken out of politics again and sent back to where it was before, in the realm of pious resolutions.

Mr. CHEVRIER: Are not those who will benefit under the Bill the better judges of what they want?

Mr. WOODSWORTH: Quite so, but they assume the responsibility.

The CHAIRMAN: When they have had their say, it will be back into practical politics again?

Mr. WOODSWORTH: I hope so, but I am calling the attention of the witness to the fact that he is on behalf of certain people, postponing action. It may be a good thing; I am not suggesting it is not.

Mr. CHEVRIER: They may think that by postponing it they are going to get something better, with all due respect to the sponsors of the Bill.

Mr. WOODSWORTH: If the witness thinks the Bill should not be dealt with at the present time by Parliament, let him say so.

WITNESS: No, I do not say that.

Mr. WOODSWORTH: What do you think we should do with this Bill? We are dealing with a specific Bill.

Mr. CHEVRIER: What we are to do with the Bill is for the Committee to say. If the witness says one way or another, I may challenge him upon it. I think we are the ones who should say what we are to do with this Bill. I am one of the Committee, and I have my own mind about it, and I am not going to be guided by the witness.

Mr. WOODSWORTH: I am not suggesting that the witness can decide the matter. I am asking him what the opinion of his organization is, as to what we are to do with the Bill. Does he, as representing his organization, wish the Bill be dropped?

Mr. CHEVRIER: What I gather is that he thinks the spirit of the Bill is all right, and he favours a National Council. As to the other provisions of the Bill, I gather from the witness that they are not favourable to them but that these organizations are in favour of the principle of the Bill and are in favour of National Councils. That is the way I sum up his evidence.

The CHAIRMAN: In other words, the witness is very favourable to the outstanding principle of the Bill.

Mr. NEILL: He wants a committee.

The CHAIRMAN: He wants a committee to deal with it further, if they are to get anywhere.

WITNESS: A committee to work out the details.

Mr. WOODSWORTH: He does not want the committee to deal with the Bill.

WITNESS: I am sorry to have conveyed that impression.

Mr. WOODSWORTH: I only want to be clear upon the matter, because, if we do not report in favour of the Bill, or do not modify the Bill, it will be rejected. That is the alternative, is it not?

[Mr. T. R. L. MacInnes,]

Mr. CHEVRIER: The witness has agreed that the principle of the Bill is all right. Then he is in favour of Section 8-A.

8-A (1) The Governor in Council may establish, for advisory purposes (a) National councils.

The Witness, as I understand it, is satisfied with the principle of the Bill, namely the establishment of Councils. If I am wrong, he can correct me. He speaks for the organizations which he has mentioned, and he is in favour of the Governor in Council establishing for advisory purposes National Councils. As to the rest of the Bill, he is not in favour of it.

Mr. WOODSWORTH: That is what I want to get at.

Mr. CHEVRIER: I am not giving evidence, but that is what I gathered from the evidence of the witness.

The WITNESS: I did not say, Mr. Chairman, that I was not in favour of the rest of the bill. Some modifications were suggested and also I drew attention to two very important features of our policy which were not provided for in the bill, namely, that a preliminary committee should be appointed, and that the question of the Appeal Board was one which that committee or the National Council might consider, because there has been such a diversity of opinion on that subject shown right in the committee that it is impossible to reach a definite conclusion until these various views are cleared up, and who can better do that than a National Civil Service Council whose business it would be to study it. I would like to assure Mr. Woodsworth that we do approve of the principle of the bill and all its essential features, and we are very appreciative indeed for the assistance he has given us in forwarding the matter.

Mr. WOODSWORTH: I do not want to be too insistent, but I would like to ask the witness if his organization, or the organization he represents, is still of the opinion that at this stage we should ask the government to appoint a committee to study this question.

Mr. CHEVRIER: I do not gather that, Mr. Chairman.

Mr. WOODSWORTH: I am trying to get at what the witness wants.

The WITNESS: Not a committee to study the question, but a committee to draft a constitution for a National Civil Service Council. We do not want a committee to study the question of whether a National Civil Service Council should be established. We agree with that, and we would like action taken at once to that end, and would like a committee to draw up a constitution.

Mr. WOODSWORTH: You do not want this constitution adopted? You want action to be taken by this committee to have the government appoint a committee to draft a bill?

Mr. CHEVRIER: No, not even that. I do not gather that from the witness. Let me see if I understand this correctly.

By Mr. Chevrier:

Q. You say you approve of the principle of the bill—on behalf of the Federation?—A. Yes.

Q. Secondly, that the first section is approved in so far as it establishes a National Council?—A. Yes.

Q. After that, if this committee reported in favour of the establishment of a National Council, do I understand you to mean that then the government should appoint a committee—once we have reported in favour of the establishment of a National Council—to look into the working out of that National Council, the constitution and everything else?—A. To draw up a constitution, yes.

Q. But, for the moment, am I right in assuming that the desire is that this committee should approve of the principle of the bill, recommend a National

[Mr. T. R. L. MacInnes.]

Council and then quit, and subsequently the government should appoint a committee to organize the National Council?—A. I should like it to be in your recommendation that a committee be appointed, and that we be given representation on it.

Mr. WOODSWORTH: In effect, though, that means that this bill would be dished.

Mr. CHEVRIER: No, the principle of the bill carries and one of the sections.

The CHAIRMAN: The principle of the bill will live on?

Mr. CHEVRIER: After all, the bill provides for the establishment of—what? A National Council, departmental councils, and a Board of Appeal.* The other sections are simply as to procedure. There are three things in this bill, a National Council, which is approved, a Departmental Council, which is rejected, and a Court of Appeal, which is also rejected according to the evidence of the witness. The bill is not dished.

The WITNESS: Mr. Chairman, I hope Mr. Chevrier has not the idea that the Departmental Councils were rejected.

Mr. CHEVRIER:—For the moment.

The WITNESS: For the moment we are emphasizing the National Council. If the authorities desire to give us Departmental Councils as well, very good, but we are emphasizing the National Council at the moment.

By the Chairman:

Q. Well, Mr. MacInnes, regarding the machinery which such a move would set up, do you think that would encroach in any way upon the Civil Service Commission which we now have?—A. No, because according to our view this Council, as stated in the bill, would be advisory and could therefore not encroach upon any authority. It might give advice which would lead to certain modifications in the principles of administering the Civil Service.

Q. And you think a policy of real and effective co-operation between the bodies could be worked out?—A. That is our hope.

Q. I agree with you. Now, in the Civil Service Act, section 42 reads:

No person shall, directly or indirectly, solicit or endeavour to influence a member of the Commission with respect to the appointment of any person to the service, or with respect to the promotion of, or an increase of salary to, any officer, clerk, or employee in the service.

2. Any person who, directly or indirectly, solicits or endeavours to influence a member of the Commission in favour of his appointment, promotion or increase of salary, shall be deemed to be unworthy of such appointment, promotion or increase, and it shall not be accorded him; and if he is employed in the Civil Service, he shall be liable to immediate dismissal.

That appears to bear somewhat upon the question which Mr. Woodsworth was asking here with respect to the ideas of the Civil Service Commission on a national body which we would bring into action if there was legislation brought down on this question. At that rate, there is no access to the Civil Service Commission by a civil servant directly.—A. Not by an individual civil servant, no. The Civil Service organizations, they may approach—

Q. It is done indirectly through the organization of which you are the head?—A. Yes. An individual civil servant has no right to appeal on any question.

The CHAIRMAN: Are there any further questions to ask Mr. MacInnes? If there are none, we will retire Mr. MacInnes and thank him for coming here and giving evidence.

Witness retired.

[Mr. T. R. L. MacInnes,]

THOMAS H. BURNS called and sworn:

By the Chairman:

Q. What is your full name?—A. Thomas H. Burns.

Q. What is your position in the Service?—A. Customs Divisional Appraiser, Department of Inland Revenue, attached to the port of Ottawa.

By Mr. Chevrier:

Q. Have you any official capacity outside of that in any of the associations?—A. I am also Dominion Secretary-Treasurer of the Customs and Excise Branch of the Civil Service Association. I might say that every city and town in Canada, where there is a custom house, contains a representative of that association.

By Mr. Woodsworth:

Q. Is that one of the organizations affiliated with the Federation?—A. Yes.

By the Chairman:

Q. Mr. Burns, you have heard the discussion this morning. Can you throw some light on one or two of the essentials which we have had brought before the committee, and then perhaps later on we could ask you questions?—A. Mr. Chairman, ladies and gentlemen: I did not come prepared to give evidence to-day, but to listen to the statement of our confrere, Mr. MacInnes, the President of the Civil Service Federation of Canada, of which I am the First Vice-President. I can only corroborate in every particular the remarks which he has made. It was thought that my being here would give a little more weight to his evidence from the fact that our organization, being an outside one, has so many ramifications, he might be on firmer ground if I were present to give personal corroboration to what he has said.

It is outside of the centre of activities that it is felt there is a greater need for some method of coming between the government or the department and the Civil Service Commission, than has formerly existed. Our organization has, however, been in a very happy position in that regard by having an office in Ottawa, and we have enjoyed the most cordial and happy relations between the department and the Civil Service Commission. Many of the matters which would come up in National Council have already been given attention. However, the question is more important than that. This Council, as I would take it, would be to deal with legislation as it exists, or is impending, in connection with matters of principle with which we are not able to deal now except in a general way through the government. I think such a council also would mean a greater efficiency in the Service because any grievances arising out of imperfectly understood legislation, or legislation which might impinge on the rights of any Civil Service employee, when they know there is an opportunity for redress, will help for a better spirit in the Service and better morale, so to speak, and a greater incentive to the better performance of duty. This would be more satisfactory to the public, to the government, and to the administration itself.

As Mr. MacInnes' evidence has already been considered in the committee of which I am a member, I do not think I can add very much to it except to corroborate his views, and also to emphasize the fact that we feel that any council created as a result of this bill should be advisory in character. We do not attempt at any time to take from the government its prerogatives in connection with any proposals received or made. We feel in taking the matter up in that spirit we are more assured of success.

The CHAIRMAN: Is there any question any member of the Committee wishes to ask Mr. Burns? If not, he may be excused, and we thank him for appearing before us and giving this statement.

Witness retired.

[Mr. T. H. Burns.]

VERNON L. LAWSON called and sworn:

By the Chairman:

Q. What is your full name?—A. Vernon L. Lawson.

Q. And what is your position in the Service, Mr. Lawson?—A. Principal clerk of the Chief Engineer, Department of Railways and Canals, and Secretary of the Civil Service Association of Ottawa.

By Mr. Woodsworth:

Q. That is the organization of which Mr. Callaghan is President?—A. Yes.

By the Chairman:

Q. Will you give us in brief your ideas on this question, and we will have some questions to ask you later?—A. Just in a few moments I want to briefly set out the important points which this Association has stressed. My associates wish me to stress that what we want mainly is a National Council, first and foremost, and that departmental, vocational, regional and other councils would be quite subsidiary to the National Council. There has been no great diversity of opinion expressed, I think, by the different representatives of other organizations, with possibly one exception. Then there is the need of a right of appeal. We thought that the appeal board, or the appeal body, should be the National Council, or a separate or subsidiary body, under the Council, might be determined at a later stage. The body, whose duty it would be to prepare the constitution of the National Council, we think should take the matter of an appeal board under advisement. They might, or might not, incorporate it in the constitution. So that, first, we want the National Council. Then, secondly, I think the idea would be to incorporate in the Bill a clause which would provide that a constitution committee be appointed by the Governor-in-Council, this committee to draw up the constitution, which would be approved by the Governor-in-Council before the National Council would function.

Administrations come and go, but the Service goes on forever, like Tennyson's brook. In the years that we have been dealing with governments, as an Association—I have been with it from the first year—we have found that the governments are generally receptive; the Civil Service Commission likewise. We have felt, however, this great need of some legal or constitutional body, to whom we could go with a perfect right, and not merely by sufferance on the part of the government. The government, as a body, is always busy, and we have been disappointed at times in getting a hearing, because of the stress of what the government considered more important business.

By the Chairman:

Q. The change in administration, from time to time, would affect the situation, would it not?—A. Yes, and we find different administrations answering our appeals in very different ways. The size of this constitution committee is not a matter of primary importance though; as a matter of expediency, a smaller committee would probably be better. If you want to get action you want a small committee. It may be five, nine, or fourteen members, but the smaller the committee the more smoothly it would function. I think that is just about all I have to say, Mr. Chairman.

By Mr. Woodsworth:

Q. Coming from the west, possibly I have been more in touch with the western organization, the Amalgamated Civil Servants. They have had only one representative here, Mr. Knowles of Vancouver, while the Federation and

[Mr. V. L. Lawson.]

the Association have had some ten or twelve. I should like to ask you with regard to one or two points brought out by Mr. Knowles. He says, at page 20 of the proceedings:

We claim there should be local councils as well as a National Council. The local council could assist very much in increasing the efficiency of an office, irrespective of the Department in which it has been established; it could make suggestions to the administrative side for the betterment of the Service, as well as for the Department and the Service.

Do you not consider that the local councils, and the departmental councils, would form almost an essential part of any thorough going scheme of councils?—A. Personally, Mr. Chairman, I have not given that idea a great deal of thought. The idea that I have always had in mind, in regard to councils, was that it would be a national affair, and not so much coming down to small, local, regional, or departmental matters. The departmental council might be of great benefit, but, as far as local councils are concerned, I am not in position to give an opinion, as I do not know the Dominion as a whole as well as Mr. Woodsworth. My idea, as to councils, would be to take up the larger matters, as mentioned by Mr. MacInnes, in the first day's evidence, lettered a, b, c, d, e, f, and g, on page 17 of the proceedings. I have strong convictions on certain of the features mentioned there. One of these features reads as follows: "Means for securing to the staff a greater share in the determination of the conditions under which their duties are carried out". Another one is, "Provision of the best means of utilizing the ideas of the staff". The civil servants, having longer experience than the administration, could point out to the administration, through the National Council, where great benefit would result from a scheme put forward by the Service.

Q. Some of us who come from districts remote from Ottawa, have the idea that the tendency is towards centralization here. I am thinking now of questions that have come up in the Civil Service in Winnipeg or Vancouver. How can they bring anything like effective pressure to bear two or three thousand miles away?—A. I do not know, sir, but I think, under the National Council scheme, that provision could be made, probably in the constitution, for representations to be transmitted to Ottawa, either in person or by delegation.

Q. Take a grievance case, such as was mentioned the other day. A man was wrongfully dismissed from the Soldiers' Settlement Board in the city of Winnipeg. He was very persistent and approached a number of members of Parliament, and finally was able to secure a special inquiry into his case. The Judge decided that he had been wrongfully dismissed. Under the existing arrangements, there was absolutely no machinery by which he could bring his case forward, other than through the regular channel. According to the Judge, his superior officer was guilty of a frame-up in the case. He had no way of appealing directly to the Minister and securing redress. Have you considered whether it is not necessary to have some appeal board, or some other machinery, by which such cases as that could be looked after?—A. I do think that there should be some such machinery, but I think it is rather premature for the parliamentary committee to go into such details. I think that would be a matter for the National Council itself, when it is set up, or, possibly, the constitution committee, if the constitution committee can get that far.

Q. You say it is premature. Some of us, who have been here the short time of six or seven years, have had to deal with hundreds of cases of this character. We are coming to the conclusion that it is not altogether premature and that something should be done?—A. I do not mean premature in that sense; I mean premature for this parliamentary committee to deal with it. I think the National Council, when set up, could deal with that.

[Mr. V. L. Lawson.]

By the Chairman:

Q. You think that it ought to be dealt with?—A. I do, indeed. We have had any number of operations of that sort, salaries, dismissals, and lack of promotions, dealt with through our Association, largely through a committee of one, Mr. Callaghan.

By Mr. Woodsworth:

Q. Mr. Knowles, in giving his evidence the other day, said:

I am of the opinion that the National Council should take in representatives of the departmental side, representatives of the Civil Service Commission, and members of the staff side, and that all decisions of that National Council on national problems should be adopted, subject to the Governor in Council.

That is on page 21. Would you care to make any statement with regard to the position of your organization on that matter?—A. Well, the position of our organization on that, I think, is pretty well given in paragraph 2 of the representations we made some time ago.

The National Civil Service Council to be composed of at least five members, one representing the Civil Service Commission; one representing the Deputy Heads; two or more representing the Civil Servants; and a Chairman representing the Government, preferably a member of the Audit Board.

Q. That is, as regards this suggested National Council?—A. Subject to the approval of the Governor in Council; advisory up to that point.

Q. The decisions would be really final?—A. Subject to the approval of the Governor in Council. We do not wish to set the National Council above the government, the Governor in Council.

Q. The Chairman of the Civil Service Commission seemed to be rather apprehensive, the other day, of another body coming in and having a voice in matters. That was what I gathered from his statements?—A. We can thank, and we do sincerely thank the Civil Service Commission for the facilities they have offered us in coming to them, but we think that a National Council would be the thing to handle matters with the Civil Service Commission, rather than the Civil Service Association at Ottawa, or any other association of civil servants.

Q. You do not think that there would be any danger of this body interfering with the authority of the Civil Service Commission?—A. I do not think there could be any conflict. It would be a case of getting together.

Mr. WOODSWORTH: I think that was Dr. Roche's objection.

The CHAIRMAN: He did not make that statement definitely.

The WITNESS: I did not hear the evidence, and I have not read it very thoroughly, and I would not be prepared to make any comment on that. The main idea is that the National Council and the Commission could get together and work out decisions.

By Mr. Woodsworth:

Q. There is just one more statement I would like to read from Mr. Knowles' evidence. I am trying to reconcile these different viewpoints.

There would be no appeal from the findings from the National Council, the National Council being composed of representatives of the staff side, the Civil Service Commission, and the Government side.

[Mr. V. L. Lawson.]

Would that be your conception?—A. Yes. I think, if I were a civil servant, or representing a group of civil servants, and made a representation to the National Council, I would be satisfied with their findings, without wanting to go and make an appeal at some later date.

Q. Should the Civil Service Commission be satisfied also?—A. I should think so, because we provide that they would be represented on the National Council. The Council would not come to a conclusion until the thing had been thoroughly thrashed out. They would come to a conclusion that ought to be satisfactory to all parties, without any thought of appeal.

Q. If I understood Dr. Roche's evidence correctly, he thought that the scope of organization, and the constitution of such a Council, ought to be provided by the Civil Service Commission, and confirmed by Order in Council.

Mr. CHEVRIER: That may have been his idea.

By Mr. Woodsworth:

Q. What would you say?—A. I have not given any thought to that, sir, and I do not think I would care to express an opinion.

Witness retired.

The CHAIRMAN: I have received a request from Mr. J. P. O'Farrell of Quebec City. What is the wish of the Committee with regard to hearing this gentleman?

Mr. CHEVRIER: I am handed a letter, addressed to Mr. Ryan, Secretary, Civil Service Federation, Ottawa, from the Secretary of The Dominion Railway Mail Clerks' Federation at Calgary. There is one paragraph here I would like to read:

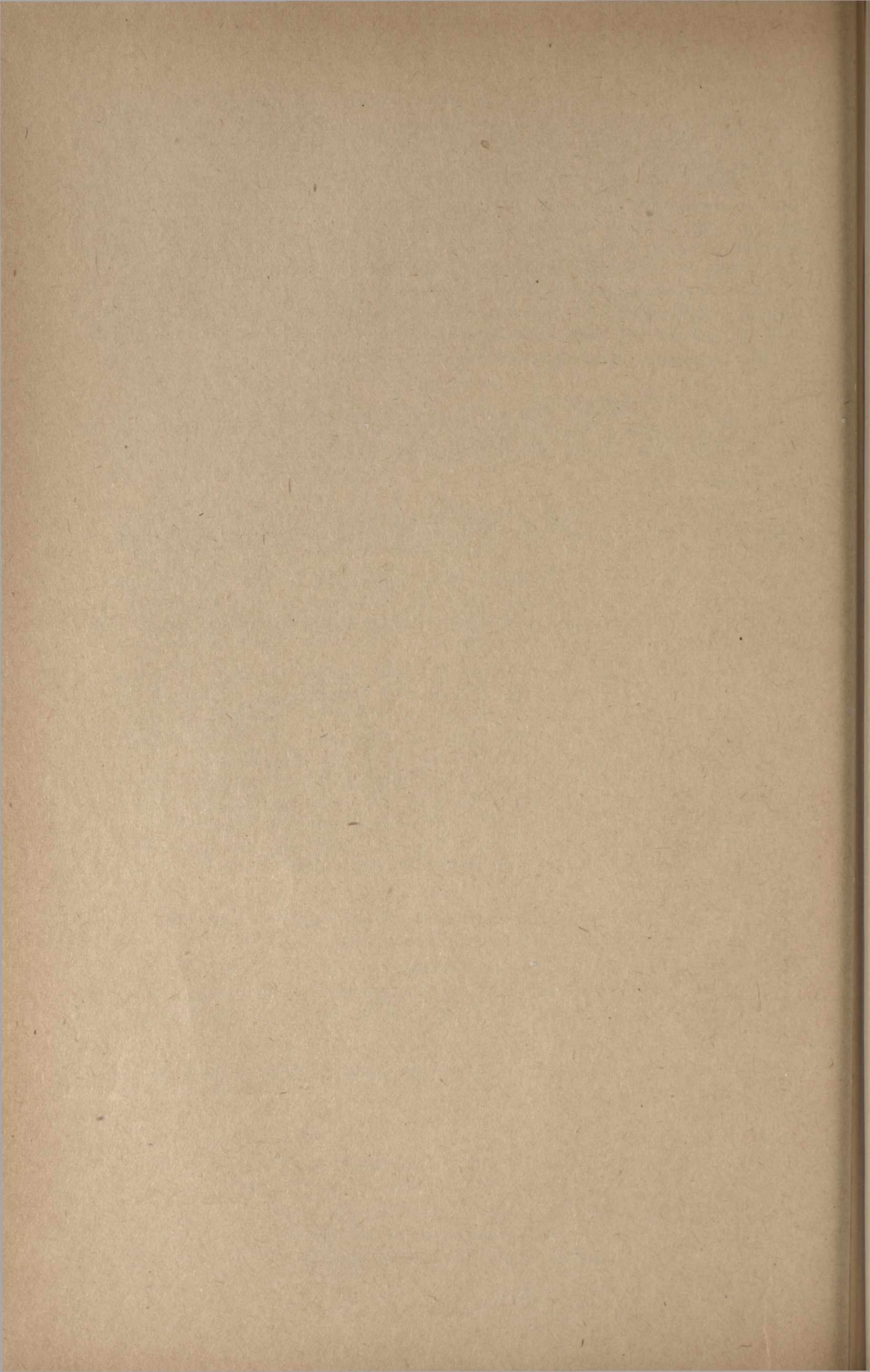
I understand the question of Civil Service Councils is before the Parliamentary Committee on Industrial Relations for consideration and that they have decided to invite Civil Service bodies to present their views. It is quite possible that our President, Mr. J. P. O'Farrell of Quebec City, may be asked to represent our organization; and, in the event of his attendance, I do not anticipate any divergent views as between your organization and ours. On these two issues we can surely Unite and I wish to take this opportunity of commending your organization on the prolonged and splendid fight which you have put up in the effort to obtain these objectives and rejoice to learn that you now consider the battle won.

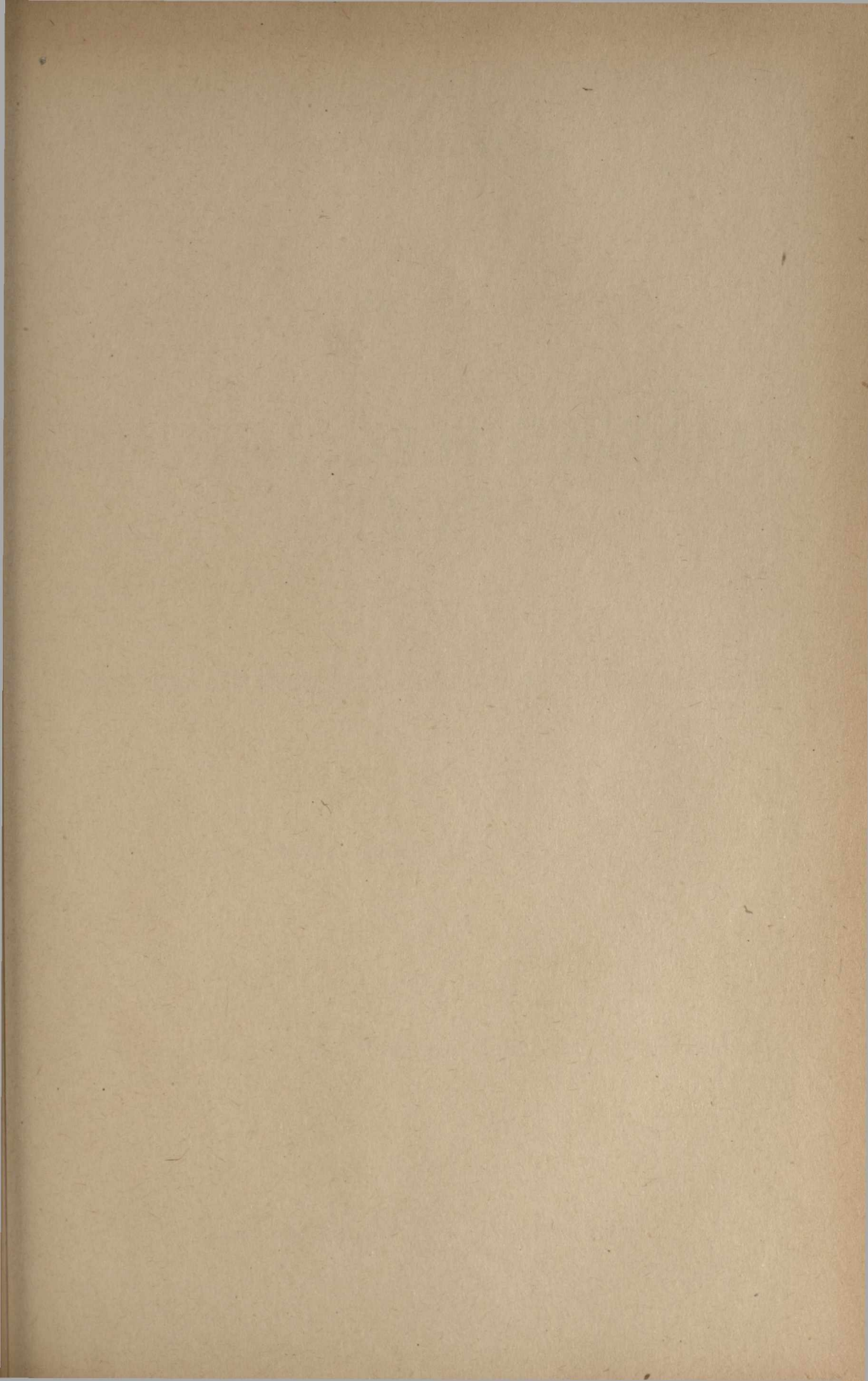
I have no idea of stifling any evidence, but I am satisfied that I have heard all the evidence that I need to come to a conclusion.

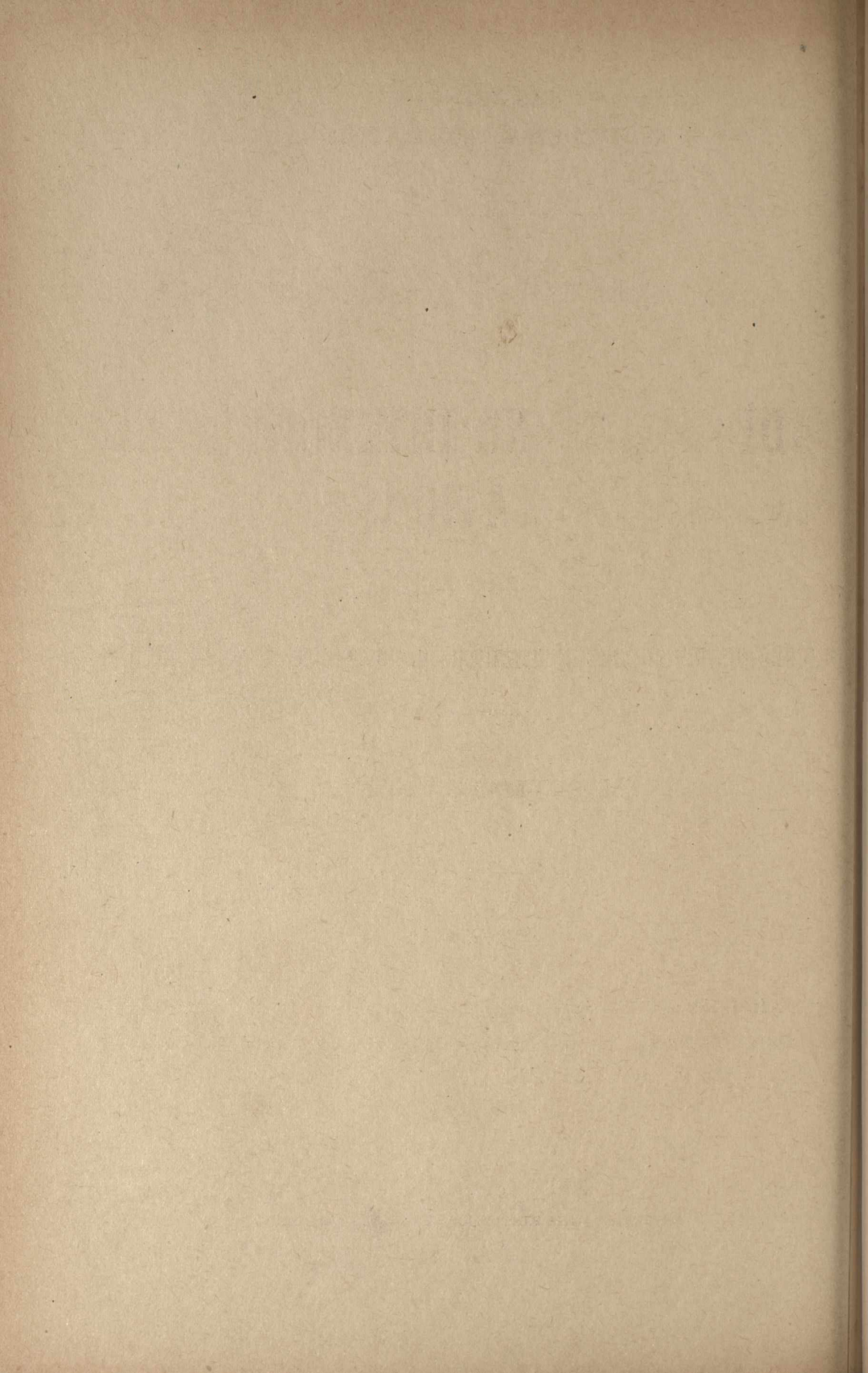
Mr. HOWARD: I am of the same opinion.

The CHAIRMAN: That seems to be the general feeling of the Committee. The next thing will be to meet to report. What action do you want to take regarding that?

The Committee adjourned until Tuesday, March 27th, at 11 a.m., to consider their report.







SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

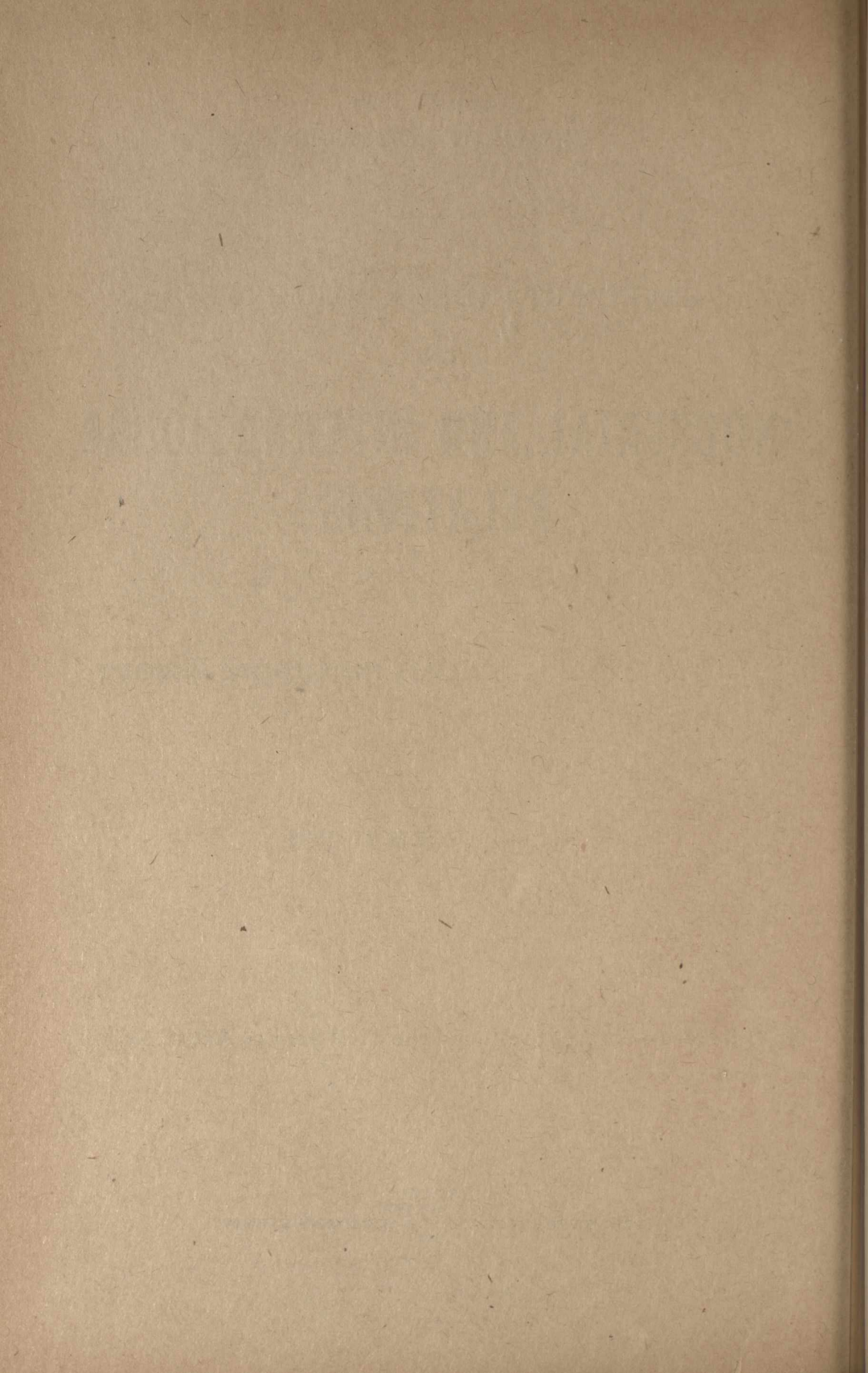
**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS INCLUDING REPORT

No. 6—MARCH 27, 1928

On Bill No. 4—An Act to Amend the Civil Service Act (Councils)

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928



MINUTES OF PROCEEDINGS

TUESDAY, March 27, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (the Chairman) presiding.

Present: Miss Macphail, and Messieurs Bell, Grimmer, Hall, Jenkins, Johnstone (Cape Breton North-Victoria), Letellier, Neill, St-Père, Woodsworth and Hon. Peter Heenan, Minister of Labour—12.

Minutes of March 30th read and approved.

The Committee proceeded to consider a draft report submitted by Mr. McIntosh (the Chairman). After discussion, amendments to this report were adopted, and, on motion of Mr. Jenkins, it was

Resolved that the following be the report of the committee.

SECOND REPORT

TUESDAY, March 27, 1928.

The Select Standing Committee on Industrial and International Relations beg leave to present the following as their second report.

Your Committee has had before it Bill No. 4, An Act to amend the Civil Service Act (Councils), referred to the Committee on February 10, 1928. Having considered the Bill and examined a number of witnesses on the subject-matter involved, your Committee beg leave to report as follows:—

1. That whereas the majority of the witnesses heard were of the opinion that further consideration should be given to the details of the constitution of National Civil Service Councils.

And whereas the Government is prepared to establish such Councils.

And whereas the objects of the Bill may be attained by Order in Council.

2. That this Committee endorses the principle of the establishment by the Government of a National Civil Service Council, composed of representatives of the Government and the organized Civil Service in equal numbers, to consider and advise the Government upon matters of mutual concern to the Government and civil servants in their respective capacities as employer and employees, also as to the establishing of any other consultative and advisory machinery that may be required.

3. That, as the form of constitution for such a council, covering its scope and functions, can best be determined by joint agreement between the parties concerned, this committee recommends the setting up by the Government of a drafting committee representing both the Government and the Civil Service organizations, for the said purpose, provided that any such constitution so drafted shall be subject to the approval of the Governor in Council; and

4. That after the said constitution has been drafted and approved in the manner set forth the National Civil Service Council should be established forthwith by the Government.

5. In view of the above recommendations your Committee recommend that Bill No. 4 be not further proceeded with.

All of which is respectfully submitted.

C. R. McINTOSH,
Chairman.

On motion of Mr. Howard;

Resolved that Mr. McIntosh (the Chairman), Mr. Bell, Mr. Neill, and Mr. Woodsworth do compose a sub-committee to make arrangements as to witnesses to be heard in relation to a resolution of the House, viz.,

That, in the opinion of this House, the Committee on Industrial and International Relations be authorized to investigate and report on insurance against unemployment, sickness and invalidity.

Committee adjourned until Thursday, March 29, at 11 a.m.

WALTER HILL,
Clerk of Committee.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

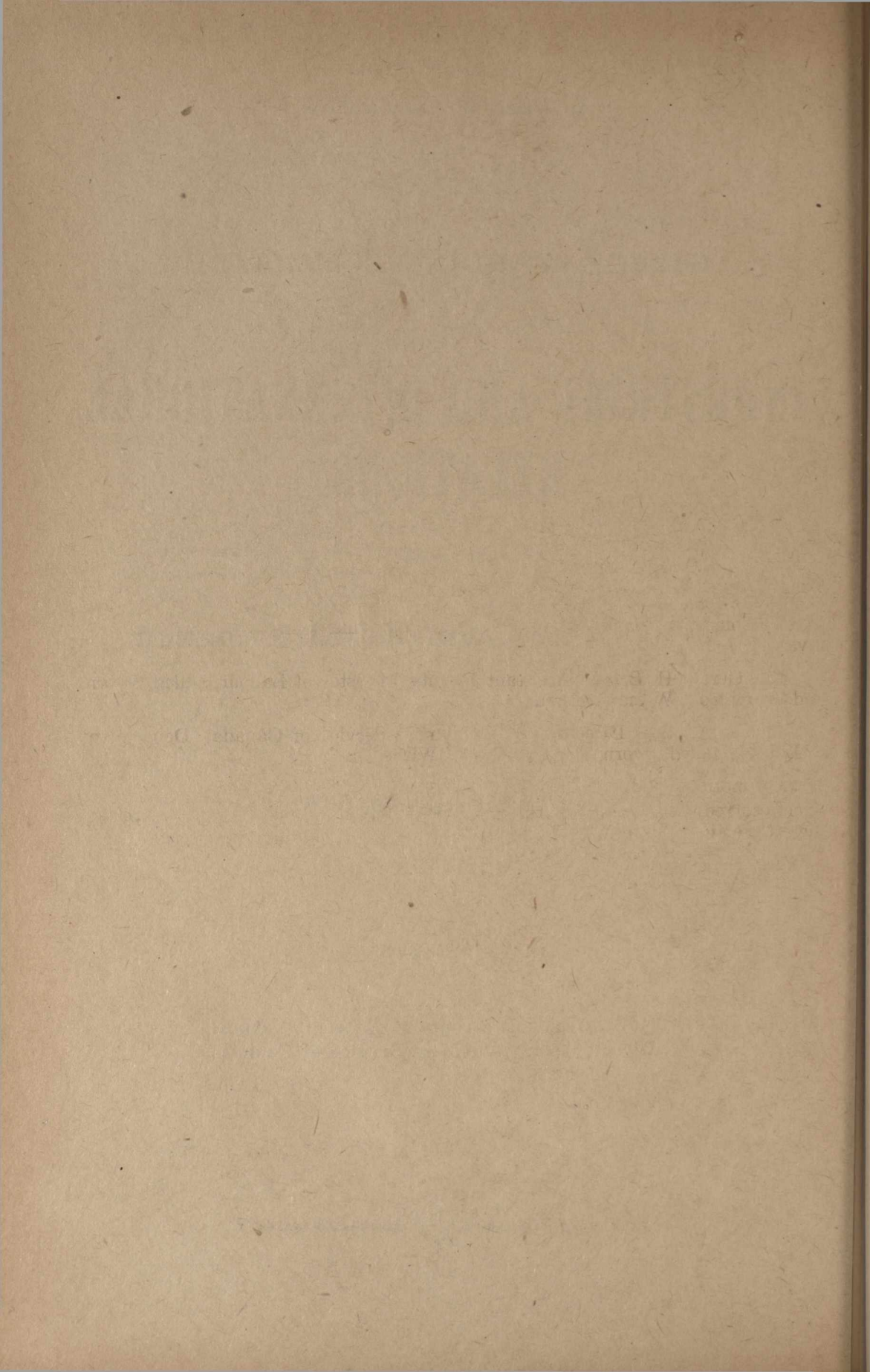
MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7—MARCH 29, 1928

WITNESSES

Mr. Gerald H. Brown, Assistant Deputy Minister of Labour.
Mr. R. A. Rigg, Director of Employment Service of Canada.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928



MINUTES OF PROCEEDINGS

THURSDAY, March 29, 1928.

Pursuant to adjournment and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (The Chairman), Presiding.

Present: Miss Macphail, and Messieurs Bell, Grimmer, Hall, Howard, Jenkins, Letellier, Neill, St. Pere, Tolmie, and Woodsworth.—12.

Minutes of March 27, read and approved.

Mr. McIntosh (The Chairman) read the resolution of the House, referred to the Committee on March 21, *Re:* (unemployment insurance, sickness and invalidity).

Mr. Gerald H. Brown, Assistant Deputy Minister of Labour, called, sworn, and examined. Witness retired.

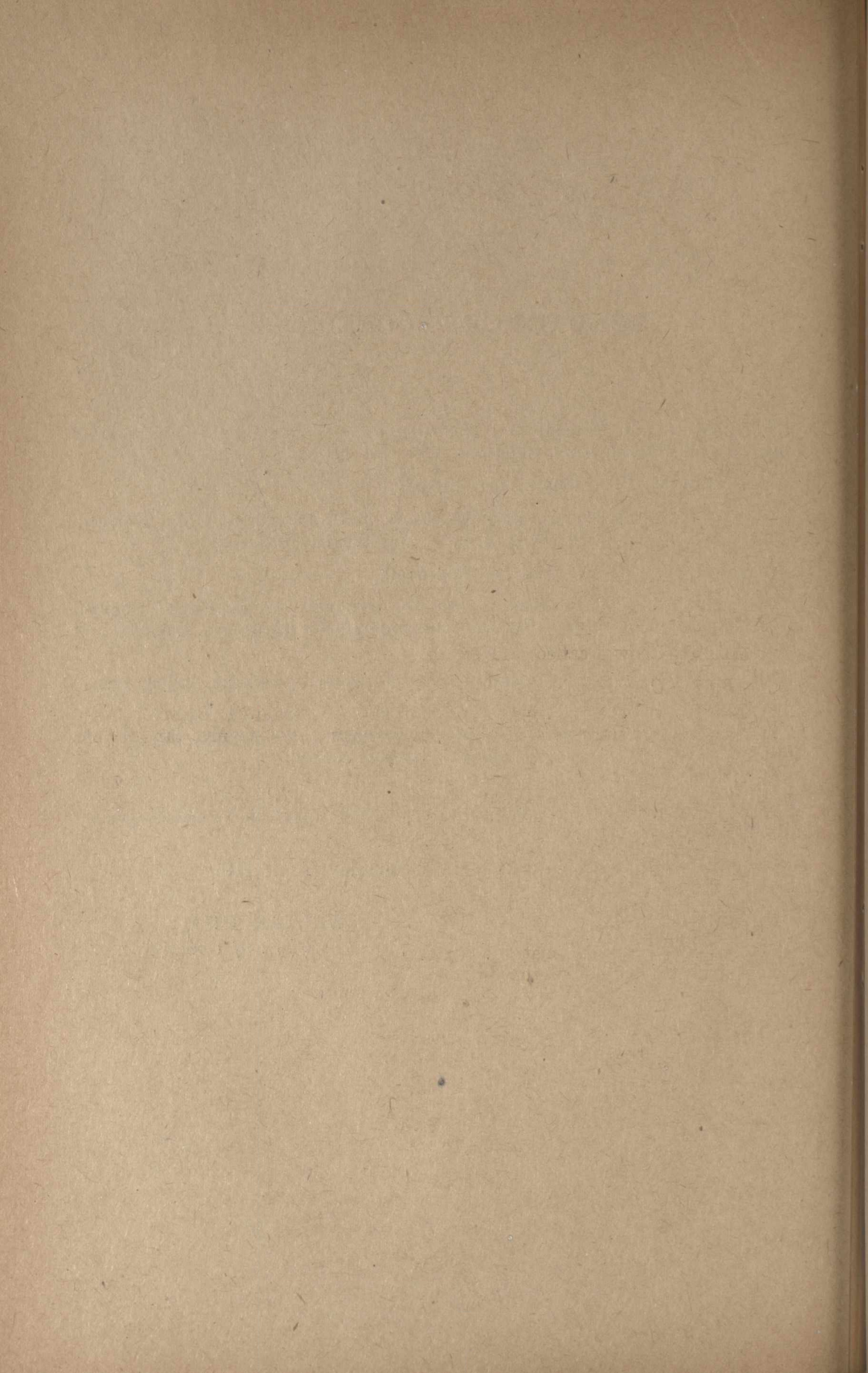
Mr. R. A. Rigg, Director of Employment Service of Canada,, Department of Labour, called, sworn, and examined. Witness retired.

On motion of Mr. Neill,—

Resolved, That Mr. A. A. Heaps, be permitted to question witnesses appearing before this committee.

Committee adjourned until 11 a.m., Wednesday, April 11th.

WALTER HILL,
Clerk of Committee.



MINUTES OF EVIDENCE

ROOM 268,

HOUSE OF COMMONS,

THURSDAY, March 29, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., Mr. C. R. McIntosh, the Chairman, presiding.

The CHAIRMAN: For to-day, the order of reference is as follows: on Wednesday, March 21, 1928, it was resolved that in the opinion of this House the Committee on Industrial and International Relations be authorized to investigate the question of unemployment, sickness, and invalidity insurance.

That resolution sponsored by Mr. Heaps, if I remember correctly, was sent to our Committee on the 21st of March, and that is the resolution we have to consider to-day. As you will notice by the minutes of our last meeting a sub-committee was appointed in order to have at our meeting to-day certain witnesses to open up this question. I understand the Labour Department is represented and that Mr. Brown, the Assistant Deputy Minister of Labour, is with us, also Mr. Rigg.

GERALD H. BROWN called and sworn.

By the Chairman:

Q. Mr. Brown, what is your name in full?—A. Gerald H. Brown.

Q. And your position with the Labour Department?—A. Assistant deputy minister.

Q. I think, Mr. Brown, if you will just open up in a general way, the question before us, any member of the Committee may then feel free to ask a question at any time.

WITNESS: Mr. Chairman and gentlemen, the subject of the reference deals with unemployment, sickness and invalidity insurance. In the statement I am making to the Committee this morning, I thought you would wish that I should deal with these subjects separately, taking up in the first place the question of unemployment insurance from the point of view of general information, and following that with a reference to sickness insurance matters by way of information also; that is to say, indicating what has been done or proposed along these lines in our own country, and what has been done elsewhere.

With reference to the subject of unemployment lying back of unemployment insurance, and the subject of employment lying back of unemployment, perhaps it might be worth while to mention that in the Labour Department, through the Labour Gazette, our official monthly publication, since the inception of the Department, we have been dealing with employment conditions as they have existed from month to month.

At the end of the war, Parliament, on the Government's motion, saw fit to adopt what was known as the Employment Service Co-Ordination Act, for the purpose of bringing about a country-wide system of free public employment offices. The legislation on these lines is in effect, and we have, therefore, in Canada a series of employment offices extending from coast to coast in the

principal industrial centres. Mr. Rigg, who is the director of the Employment Service in Canada, is with us this morning; he is one of our departmental officers, and will be pleased to give you any information which may be desired as to the operation of the Employment Service.

Perhaps I should mention that the Employment Service is based on co-operation with the provinces. The provinces have the control of the individual offices, therefore, and there is a central organization here at Ottawa, largely of an advisory nature.

About the same time the department set about gathering information as to employment conditions in the form of returns from employers on the one hand and labour organizations on the other hand. These returns are published monthly in the Labour Gazette, and indicate the position, for instance, during the month just passed of over 6,000 firms and companies employing upwards of 800,000 work people. The employment conditions are shown as compared with conditions as they existed at the beginning of 1920 on an index number basis by industries and so on.

By Mr. Woodsworth:

Q. May I interrupt to ask a question about the service?—A. I think on the employment service, Mr. Woodsworth, you will get possibly the details more fully from Mr. Rigg. It was not my intention to go into that subject, except to lead up to the matter, which you have before you, of unemployment insurance. The returns on the other hand from the unions throughout Canada, published monthly, indicate on their part the extent to which there is unemployment in different parts of the country, in these different organizations and branches of industry which they represent. The returns that are published also contain comparative information, as far as it is available, as to the situation in England, the United States, and elsewhere. In 1919 a Royal Commission of Enquiry, generally known as the Mathers Commission, surveyed the country from Sydney to Victoria in connection with the then-existing industrial relations with a view to suggesting means for the establishment of better industrial relations. One of its recommendations dealt with the subject of unemployment and the desirability of unemployment insurance.

The matter of unemployment insurance next came before the authorities here in a discussion which occurred before the Industrial National Conference in 1919 which was convened at the instance of the Federal Government, and which was attended by representatives of all the provincial governments, the municipalities, the workers on the one hand and the employers on the other hand—a very outstanding gathering. The subject of unemployment insurance was referred to a committee of that conference, and was followed by a report which recommended that it should be made the subject of further inquiry and investigation with a view to arriving at some conclusion.

Since then, we have received representatives from various organizations on the subject of unemployment insurance.

The first session of the International Labour Conference, which as you all know is part of the machinery of the League of Nations, turned its attention in Washington, in 1919, to the subject of unemployment, and adopted a recommendation, as it is called, in favour of unemployment insurance. I have the text of this recommendation concerning unemployment insurance with me, and if you desire it, Mr. Chairman, I will lay it on the table. The recommendation on that subject is very brief. I will read it:

The general Conference recommends that each member of the International Labour Organization establish an effective system of unemployment insurance either through a Government system or through a system of government subventions to associations whose rules provide for the payment of benefits to their unemployed members.

[Mr. Gerald H. Brown.]

In the Department of Labour our feeling that one of the desirable things to be done would be to compile information as to the systems of unemployment insurance existing in other countries.

By Mr. Heaps:

Q. Before you get to that, may I ask you if you have studied the report that was made by the commission appointed by the Manitoba Government, which reported early this year?

The CHAIRMAN: Before the witness answers let me say that Mr. Heaps is not a member of this Committee. Is it the wish of the Committee that he be given the privilege of asking questions or taking part in the general run of the debate?

Mr. NEILL: Certainly, Mr. Chairman.

The CHAIRMAN: That is accepted then, is it?

WITNESS: I am sorry to say, Mr. Heaps, that I am not as familiar as I should like to be with that matter.

Mr. HEAPS: Would you mind waiting until the Chairman disposes of the question that has been raised?

The CHAIRMAN: Under Rule 615, a member of the House who is not a member of the Committee has no right to attend for the purpose of addressing the Committee, or of putting questions to witnesses, or interfering in any way with the proceedings. I do not want to intimate that Mr. Heaps is in any way interfering, but I want to be on solid ground so that we will know where we stand.

Mr. NEILL: If you will refer to Hansard of last year when we were discussing new rules, I raised that point and two or three members said with some vehemence that they in all their experience had not seen the member objected to if he desired to take part in the proceedings of a Committee. I think it is quite proper that every member of the House should be allowed to come in, I move that Mr. Heaps be given all the privileges that we can give him in this Committee.

The CHAIRMAN: Is that acceptable to the Committee? It is acceptable to myself as Chairman. We are here for information, and we want to get it in as complete a manner as we can. Put your question, then, Mr. Heaps?

Mr. HEAPS: I think Mr. Brown has the question.

WITNESS: I am sorry to say, Mr. Heaps, that I am not as familiar as I should like to be with the attention that was given to the subject on the lines you have mentioned in the Province of Manitoba. Perhaps Mr. Rigg, who is going to follow me and who is a former resident of Winnipeg himself, will be able to answer your question when he comes to the stand, if that is acceptable to you.

I would like, if I may, before taking up the subject of unemployment insurance briefly, as it exists in different countries, to make mention of the attention which has been given to unemployment relief through co-operative effort between the Dominion Government, the Provincial governments, and the municipalities, in the years following the war. It is not in my mind to deal with this subject more than by way of mentioning that there was unemployment relief granted under the authority of Federal Orders in Council in the emergent conditions that developed after the war; and that the successive Orders in Council on this subject have all been published. Now, if it is the desire of the Committee, we can furnish the Committee with a statement on that subject by itself.

Then, as to unemployment insurance systems, we have compiled in the Labour Department a comprehensive memorandum dealing with the attention

[Mr. Gerald H. Brown.]

given to unemployment insurance in various countries. The memorandum is for the purpose of providing information respecting the systems of unemployment benefit and insurance which have been adopted in different countries, and we have appended to it a selected list of the more important writings on the subject, official reports included. Unemployment insurance, as it is generally known, was first provided by trade unions for their own members, and out of work benefits are now paid by the more important unions; in some of the important industrial countries. The British Trade unions have developed this feature of their organizations to a large extent, probably more than is the case elsewhere, but the organizations in England, however, which have adopted this system, are made up for the most part of the skilled trades. I found when I was in England, a few years ago, and was in contact—as I was—with a number of the leaders of industry, and labour leaders, that the feeling there was that the labour organizations had been doing excellent work in their own field, but that they had not succeeded in covering the whole field, through the fact that common labour was not organized as largely as the trades were; and that even in the case of the trades the organizations were far from being one hundred per cent strong. In the newer industrial countries, such as our own, the unemployment benefit features of trades unionism do not exist to the same extent. In Canada the total amount paid in out of work benefits two years ago amounted to \$14,000. There are voluntary schemes as well which have been introduced by individual employers in the old world, and some as well on this side of the water. Apart from these voluntary schemes of unemployment protection the systems of unemployment provision adopted by unions or employers, fall into two classes. One is the kind generally known as the Ghent system, because it was first successfully organized in Ghent, and the underlying principle of this system is that of giving government assistance to trade union unemployment funds. Compulsory unemployment insurance of workers is the other system, usually involving contributions from employers, workers, and the State. The Ghent system of subsidizing trade union unemployment funds is in operation in the following countries: Belgium, Czecho Slovakia, Denmark, Finland, France, Germany, Italy, The Netherlands, Norway, Spain, and Switzerland. Compulsory unemployment insurance systems are in operation in Austria, Bulgaria, Germany, Great Britain, Italy, Luxembourg, Poland, Queensland, (Australia), Russia, and Switzerland. Compulsory unemployment insurance schemes have also been proposed in Belgium, Chile, and the Argentine, and in several of the American States. As to the systems of compulsory unemployment insurance which are in effect it would possibly be the right of the Committee that we should turn our attention to the most outstanding system, which is that of Great Britain. The British system was introduced—as Mr. Heaps and Mr. Neill mentioned in their discussion of the subject in the House in 1911, and was largely increased in 1920; that is to say, increased by way of applying its benefits to industry more generally than was the case at the outset in 1911 when the plan was confined in its operations to named industries in which there was notable irregularity of employment. There have been successive amendments to the Act of 1911, a considerable number of them. They are all dealt with in the memorandum that I have already referred to, so I will not enumerate them all; but there have been as many as two and three amendments in a single year in England, when the unemployment situation was particularly difficult after the war.

One of the notable features of the situation in England is the attention which has been given to the whole subject within the past couple of years by what was known as the Blanesburgh Committee, a very representative Committee indeed, appointed by the British Government "to consider in the light of experience gained in the working of the Unemployment Insurance Scheme, what changes in the scheme, if any, ought to be made." This committee in-

[Mr. Gerald H. Brown.]

cluded in its membership the labour interests and the employer interests, and the specialized thought which had grown out of the administration of the system during the preceding years. The report was put before the British Parliament last fall, and was followed by legislation which was assented to towards the end of the month of December.

Mr. NEILL: The report was unanimous.

WITNESS: Yes, it was an unanimous report. I am going to read you—because of its value from the point of information, as I think—a brief extract from their report. (Reading):

Assuming that a contributory scheme is to continue, it is, we think, necessary to steer a middle course between these two extreme views. On the one hand, such a scheme, if it is to have any real attractions for the compulsory insured contributor, must be reasonably adequate. On the other hand, its benefits must be provided out of the contributions made on his account, if the special virtue of a contributory scheme is not to be lost. The State in respect of its contribution is also, as we have seen, entitled to see that the scheme is, so far as is possible, free from all injurious tendencies affecting the public interest. The employer is likewise entitled to be assured that effects injurious to his interests are reduced to a minimum. Indeed, as we envisage it, a contributory scheme, from which all characteristic advantages may be hoped for, should comply with the following principal conditions:—

- (1) The worker's contribution must be moderate in amount. It should never normally exceed 5d. a week, and, supplemented by the contribution of his employer and the State, should secure him an insurance sufficient in the great majority of cases to save him, during inevitable unemployment, from recourse to public assistance.
- (2) The scheme must not, by the extent of benefit promised, tempt the insured contributor to improvidence when in receipt of good pay.
- (3) It should provide benefits definitely less in amount than the general labourers' rate of wage, so that there may be no temptation to prefer benefit to work.
- (4) It must not interfere unduly with the mobility of labour in this country.
- (5) It must not deter from emigration those who would be benefited by a life overseas.
- (6) Subject to these conditions, the scheme should be made as attractive in its benefits to the insured contributor, as, on a strictly actuarial basis, it is possible to make it.

58. *The Proposed Scheme.*—With these principles in view we now proceed to set out the main outlines of a permanent unemployment insurance scheme, followed by a statement of the considerations which have led us to propose them.

OUTLINES OF THE PERMANENT UNEMPLOYMENT INSURANCE SCHEME

- (1) *Unemployment Fund.*—There should be an Unemployment Fund subscribed in equal proportions by employers, employed and the State of amounts actuarially certified to be sufficient to enable the outgoings in benefits and administration to be met over a trade cycle.

[Mr. Gerald H. Brown.]

- (2) *Scope*.—The classes of persons to whom the scheme is to apply should be substantially the same as under the present scheme. It should be compulsory on them and their employees.
- (3) *Rates of Benefit*.—There should be paid from the Unemployment Fund benefits at the following weekly rates:

	s.
Men..	17
Women..	15
Adult Dependents (not more than one for any insured contributor)..	7
Dependent children under the age of 14.. . . .	2
Young men aged 18 to 21..	10
Young women aged 18 to 21..	8
Boys aged 16 to 18	6
Girls aged 16 to 18..	5

- (4) *Conditions for the Receipt of Benefit*.—A claimant for unemployment benefit should be entitled to it, subject to a waiting period of six days, provided:
- (a) that at least 30 contributions have been paid in the previous two years in respect of him;
 - (b) that he is genuinely seeking work but unable to obtain suitable employment and is capable of and available for work;
 - (c) that he is free from the disqualifications for benefit, showing particularly:—
 - (i) that he has not left his employment voluntarily without just cause or been dismissed for misconduct;
 - (ii) that he is not affected by the trade dispute disqualification.

Mr. NEILL: Those are extracts of the report?

The WITNESS: Yes, of the Blanesburgh Report.

By Mr. Neill:

Q. Would it not be more to the point to recite the features of the Bill which has been passed, because there has been a Bill introduced which differs from the report in some respects. It seems to me that it would be better to have the Act of the last British Parliament rather than a report three years old; that is what they are doing, while this is only what they recommend.—A. I have that in mind, and I was going to refer to it at once. I was practically finished with it, and if you will allow me I will come to that immediately.

By Mr. Heaps:

Q. Have you in your mind now that portion of the Blanesburgh Committee Report which states that after giving consideration to the general effect of the unemployment in Great Britain, they consider it a permanent feature of social legislation?—A. Yes. That was the finding of the Blanesburgh Committee. The Committee in its report says:

In the case of juveniles the payment should also be conditional on attendance at an approved course of instruction, where such instruction is available.

The report of the Committee deals in the two following paragraphs very briefly with "contributions" and "administration" and passes from particular features to general principles which should apply, and includes a report of the system then existing. The finding of the Committee is definitely in favour of a permanent system in England of unemployment insurance.

Now, if I may, I will come to the Bill which was introduced by the British government. One finds that the Bill differs in two important respects from the

[Mr. Gerald H. Brown.]

Blanesburgh Committee report. In the first place one feature of the Committee Report was that the contributions should be equal in amount. Another feature was that they should not exceed five pence per week. I have the government Bill and the Act of the British parliament which resulted from it, and will leave them with the Committee for their information.

Q. These, of course, are under ordinary conditions?—A. Yes, ordinary conditions. The Act of parliament has not equalized the contributions at once, and on the other hand the Act of parliament has not reduced the contributions to five pence per week at once. Our understanding of the situation is that the government was perhaps actuated in its attitude by the fact that the unemployment found in England had been in a condition of particular strain and stress, and that it was desired to have the fund put on a footing of entire solvency by the repayments of the amounts which had been borrowed from the treasury, and that the permanent changes recommended by the Blanesburgh Committee were therefore, not dealt with at once.

Now, the Bill which has passed the British parliament is one which has been referred to briefly in our publication, the Labour Gazette, for the month of February. The Act of parliament was adopted in the preceding December. New rates of contributions are fixed for young men and young women between the ages of 18 and 21 as from July, 1928, by the new Act. The rates of contribution are six pence a week for young men and five pence for young women, seven pence and six pence respectively from the employers, and five pence halfpenny and three pence halfpenny from the General Exchequer. In the case of exempted persons the rates are two pence halfpenny and two pence respectively.

Q. What is the rate for adults?

Mr. HEAPS: I think you will find it in the Blanesburgh Report.

The WITNESS: I am speaking of the Act itself.

Mr. NEILL: It must be in the Act. I think the Report recommends five pence with an additional penny until the deficit is made up.

The WITNESS: I think it is either seven pence or eight pence. Speaking subject to correction I think it was up to eight pence.

Mr. NEILL: I do not think it was as much as that. I do not think you will find it in that Act, I think it was in the previous Act. It was only an amendment to an existing Act.

The WITNESS: I have it here. From the employer eight pence, from the employee seven pence, from the State eight pence, for men. For women, it was seven pence from the employers, six pence from the employees and six pence from the State. These figures are from the Act of 1925-26 which, as we understand it, is still in operation.

Now, I have mentioned before that we have a memorandum of information which has been compiled, setting out briefly the different systems of unemployment insurance which are in existence in a number of different countries. The memorandum is only an office memorandum at the present time. It is, however, available in stencil form, and I have copies here which can be distributed, if it is your desire. I think if it is the wish of this Committee, that, speaking for the Minister, there will be no question about having it published, so that the information it contains may be made more generally known than it is at the present time.

Passing from the subject of unemployment insurance to that of sickness insurance, I may say that the International Labour Conference at its 1927 session adopted two draft conventions and a recommendation on the subject of sickness insurance. The texts of these have come to us within the past few months. No action has been taken upon them as yet. The text of the draft conventions and recommendations will be distributed to the members of the

[Mr. Gerald H. Brown.]

Committee individually, as also the text of the recommendations to which I have previously referred on the subject of unemployment insurance.

On the subject of sickness insurance: there is no legislation in Canada establishing compulsory sickness insurance except in respect of certain specific industrial diseases for which compensation is granted under the Workmen's Compensation laws of all the provinces in the same manner as accident disability. Voluntary sickness insurance and benefits have, however, been developed in this country to a very considerable extent. A number of different benefits are utilized to this end including the sickness and invalidity benefits which have been granted in recent years under ordinary life insurance policies, sickness insurance policies issued by insurance companies, commonly in conjunction with accident insurance, fraternal benefit insurance, sick benefit schemes which have been introduced in many industrial and commercial establishments for the assistance of their employees, the sickness benefit features of trade unionism established in connection with many of the larger labour organizations.

Of the aggregate amount of life insurance policies in force with Canadian Insurance companies at the beginning of last year, totalling \$4,299,067,931, 33 per cent, or a total amount of \$1,424,408,872, of this insurance carries disability benefits, three-quarters of which amount is in force within the boundaries of Canada. In addition thereto, life insurance policies written by foreign countries in Canada, to an amount of \$549,705,385 provide life protective benefits for the policy holders. The aggregate amount of life insurance in effect in Canada containing disability benefits is, therefore, approximately one and a half billion dollars. In cases of accidents or illness resulting in disability, the payment of premiums under these policies ceases, and monthly benefits are granted of approximately \$10 per month per \$1,000 of insurance, with continuing payments at this rate in the event of permanent total disability. Moreover, under the liberal interpretation, which is now established, of total disability, cases of invalidity extending beyond ninety days are generally assumed to involve permanent disablement. The sickness and accident features of life insurance policies are not subject to cancellation as long as the policy is kept in force, and extend to all classes of disability occurring up to the age of 60 years, and in some cases beyond.

By Mr. Heaps:

Q. Where do you get that information?—A. From our own insurance department.

Q. We had a different story, in the House of Commons, the other day, from Mr. McQuarrie.—A. I am not dealing at present with accident and sickness insurance policies but with ordinary life insurance. I think Mr. McQuarrie's case dealt rather with sickness insurance proper, than with ordinary life insurance. I am not speaking now of sickness insurance policies at all, or accident policies, but only of ordinary life insurance which carries these incidental benefits.

Q. Have you any statistics there which would show how much of this insurance is held by people with less than two thousand a year?—A. No.

Q. Have you any idea of how much of that total amount of insurance is held by people with small incomes?—A. No. I am coming to other features presently, but I thought it worth mentioning that there are benefits which exist in life insurance in Canada to-day, which did not exist a few years ago.

Forty-nine insurance companies in Canada issue policies providing for the payment of benefits in case of sickness. Forty-six insurance companies are engaged in the business of accident insurance. The following statement deals with the operation of these companies for 1926. The combined accident and

[Mr. Gerald H. Brown.]

sickness premiums were \$1,579,965, and the losses incurred amounted to \$884,784. The sickness insurance premiums amounted to \$1,660,407, and the losses incurred were \$902,247.

By Mr. Neill:

Q. Those would be annual policies?—A. Yes, they are annual sickness insurance policies. I understand that Mr. McQuarrie, in his reference to the subject in the House, had reference to sickness insurance, as such.

Sickness insurance provided by fraternal benefit societies—apart from the benefits provided by insurance companies in cases of disability under sickness and accident policies, are the benefits granted by fraternal societies to their members. Some of these societies operate under federal authority and others under the authority of certain of the provinces. No complete compilation has been made of the operations of the provincial societies, but a memorandum was prepared by the Federal Department of Insurance last fall in regard to sickness insurance carried on by fraternal benefit societies operating under Dominion jurisdiction.

In this memorandum it was pointed out that many of the fraternal benefit societies grant only life insurance benefits, and that in general where insurance against sickness and disability is included, these are secondary in the life insurance features. They are secondary in the sense that to be an insured member at all one must take the life insurance or mortuary benefits but may or may not take the other benefits; secondary also in financial importance.

The memorandum showed that at December 31, 1925, there were six Canadian societies and six foreign societies in Canada granting sickness benefits, the former having a membership of 82,697, and the latter 5,231. One foreign society grants accident benefits only, along the same general lines as commercial accident companies. The members are drawn from the ranks of commercial travellers. As at December 31, 1925, the number of members of this society in Canada was 3,926 and the amount of insurance in force \$19,630,000.

Some societies limit, or practically limit, membership to men; others admit women and men with equal freedom; while others limit membership to women only. Some societies limit membership to persons who are also members of an occupational organization such as commercial travellers, or expressmen; others to persons who are members of a fraternal order. Still others limit membership to persons of one race—which may also imply religion—or of one religion. One society limits membership to deaf mutes.

The average rate of contribution per member in 1925 was given as \$5.97 with a total contribution of \$561,913 for sickness insurance.

By Mr. Heaps:

Q. Is that an annual report?—A. Yes.

With regard to sickness benefits granted, the most usual benefit is \$5 per week; some societies also grant a double benefit of \$10 per week. The first week is generally excluded, but in one society, if the sickness lasts for one week, benefit is paid for the full week. Another society gives a reduced benefit of \$3 for the first two weeks; \$5 thereafter. Payment of benefit is limited to twelve, fifteen, or twenty weeks in any year; three societies fix a maximum for the whole of life, as for example, \$400 for a \$5 benefit.

The total amount of sickness benefits paid in Canada in 1926 was \$494,252.

The total assets of all societies as at December 31, 1926, as given by the Federal Department of Insurance, were: Canadian societies, \$65,575,215; foreign societies—assets in Canada—\$1,956,915.

Mr. Gerald H. Brown.]

A questionnaire was sent out by the Labour Department last year to a considerable number of employing companies in Canada, who had, from our previous knowledge, adopted schemes for the benefit of their employees. We received returns from upwards of one hundred and fifty companies. The information obtained showed that employees were not usually admitted to the benefit of these schemes, until they had been in the service of the company for a certain period, varying from three months to two years, and until they were in receipt of sufficient salary. In some instances, admission to benefits were denied to those over a stated age, and to those suffering from chronic disease, unless the latter signed a waiver with regard to any disability accruing therefrom. The firms to which these plans applied ranged from ordinary local businesses with a comparatively small number of working people, to the largest industrial and transportation enterprises, extending throughout the whole country and employing thousands. For this reason, the number of employees coming under these plans varies greatly. The returns indicate that in the majority of cases, all employees are admitted, although sometimes there are a number who have not been in the company's service long enough, nor in receipt of wages sufficient to enable them to apply for membership.

The risks covered vary somewhat, but, in general, are fairly uniform. Replies received to the questionnaire indicated generally that the risks covered included all sickness or accidents lasting over one week, not covered by the Workmen's Compensation Act.

Many firms have adopted schemes of group insurance, by arrangement with insurance companies, which include sickness benefits. In such cases the sick benefits are paid by the insurance companies.

The rate of the employees' contribution is usually on a sliding scale, based on the wages, and ranges from twenty cents to a dollar per month. The total amount contributed annually by employees varies from a few hundred dollars, in the case of the smaller firms, up to over \$25,000.

The contributions of employers vary largely, as one would expect, according to the size of the business, from a few hundred dollars, to \$12,000 in the case of a large lumber company, \$17,000 in the case of a large electrical concern, \$45,000 in the case of a large insurance company, and \$160,000 in the case of the principal telephone company.

The benefits granted vary, as one would expect.

I will not take time to speak of the maintenance of medical services by some of these individual companies, and of the existence of dispensaries, clinics, rest-rooms, sanatoria, and so on, although they are doubtless of considerable interest and value.

I now come to the next feature of sickness benefits, that which is granted by the trade unions. One phase of trade unionism, which is extending from year to year, is that connected with the payment of benefits in cases of sickness and death. The funds to meet these payments are raised by a per capita tax on the membership, a portion of the proceeds of this tax being placed in the beneficiary funds.

Of the 89 international organizations operating in Canada, twenty-two provide benefits in cases of sickness and accidents through their international headquarters. Many of the remaining organizations having Canadian affiliations have benefit features, the administration of which is under the control of the local branches. This is mainly accounted for by the fact that many local unions existed independently prior to their affiliation with the International or "central", and some of these "locals" provided for death, sick and other benefits, for which a fund has been created. In this manner the benefit features have often become identified with the local branches, and their jurisdiction has been recognized.

[Mr. Gerald H. Brown.]

Reference is made separately to the benefits paid by the organizations, through their international headquarters, and by the local unions. Unfortunately, the statement is not complete, as no separate account is kept of disbursements for sickness benefits in Canada and the United States, in the case of some unions. Reports received from thirteen of the international unions operating Canada, with headquarters in the United States, indicated that these bodies have distributed to their members in Canada, for various sickness benefits, a total of \$34,063 during the last fiscal year.

Perhaps the Committee will be pleased to have a list of the 11 different names, so I will hand it in. Apart from the International Unions, the Canadian Brotherhood of Railway Employees also made a group insurance contract in 1925, which provides disability benefits for its membership.

Bakery and Confectionery Workers' International Union of America	\$ 1,538 12
Barbers' International Union of America, Journeymen.. . . .	6,584 00
Boot and Shoe Workers' Union.. . . .	5,020 90*
Cigar Makers' International Union of America.. . . .	5,017 00
Cloth Hat, Cap and Millinery Workers' International Union.. . . .	216 00
Hotel and Restaurant Employees' International Alliance and Bartenders' International League	850 50
Leather Workers' International Union, United.. . . .	42 00
Locomotive Engineers, International Brotherhood of.. . . .	10,170 07
Pattern Makers' League of North America.. . . .	159 40
Photo-Engravers' Union of North America, International.. . . .	780 00
Piano, Organ and Musical Instrument Workers, International Union of.. . . .	25 00
Plumbers and Steamfitters of the United States and Canada, United Association of Journeymen.. . . .	2,825 00
Tailors' Union of America, Journeymen.. . . .	835 00
Total.. . . .	\$34,062 99

* This amount included funeral benefits.

Reports received in the Department of Labour from 658 local branch unions in Canada show that these bodies disbursed a total of \$283,212 to their members in 1925 for various benefits provided for by their local constitution, including an amount of \$114,311 in sick and accident benefits.

SICKNESS BENEFITS PAID BY LOCAL UNIONS

Reports received in the Department of Labour from 658 local branch unions in Canada showed that these bodies disbursed a total of \$283,212 to their members in 1925 for various benefits provided for by their local constitution, including an amount of \$114,311 in sick and accident benefits. The following is a statement showing the amounts paid by local branches of international organizations, non-international organizations and independent bodies, respectively, in Canada for sick and accident benefits last year:—

Local Branches of International Organizations	Number of Unions Reporting	Sick and Accident Benefits
American Federation of Labour.. . . .	3	\$ 75
Asbestos Workers, International Association of Heat and Frost Insulators and.. . . .	1	
Bakery and Confectionery Workers' International Union of America.. . . .	2	305
Barbers' International Union of America, Journeymen.. . . .	17	3,576
Bricklayers, Masons and Plasterers' International Union of America.. . . .	13	464
Blacksmiths, Drop Forgers and Helpers, Inter- national Brotherhood of.. . . .	5	25
Boilermakers, Iron Shipbuilders and Helpers, Brotherhood of.. . . .	12	287
Bridge, Structural and Ornamental Iron Workers, International Association.. . . .	2	
Boot and Shoe Workers' Union.. . . .	6	1,095
Bill Posters and Billers, International Alliance..	1	

[Mr. Gerald H. Brown.]

SELECT STANDING COMMITTEE

Local Branches of International Organizations	Number of Unions Reporting	Sick and Accident Benefits
Brewery, Flour, Cereal and Soft Drink Workers, International Union of the United..	5	370
Carpenters and Joiners, United Brotherhood of..	25	3,687
Cigarmakers' International Union of America..	8	2,802
Cloth Hat, Cap and Millinery Workers International Union..	2	462
Clothing Workers of America, Amalgamated.. . .	1	
Elevator Constructors, International Union.. . .	1	
Electrical Workers, International Brotherhood of..	10	527
Fire Fighters, International Association of.. . .	8	61
Firemen and Oilers, International Brotherhood of..	1	300
Fur Workers' Union, International..	1	
Garment Workers' Union, United..	3	12
Glass Bottle Blowers' Association of the United States and Canada..	1	
Granite Cutters, International Association.. . . .	1	15
Hod Carriers, Building and Common Labourers' Union, International..	2	
Hotel and Restaurant Employees' International Alliance and Bartenders' International League..	8	840
Iron, Steel and Tin Workers, Amalgamated Association..	1	45
Jewellery Workers' Union, International.. . . .		
Lathers, International Union of Wood, Wire and Metal..	1	
Lithographers of America, Amalgamated.. . . .	4	1,420
Longshoremen's Association, International.. . . .	5	2,237
Locomotive Engineers, Brotherhood of..	39	3,797
Locomotive Firemen and Enginemen, Brotherhood of..	26	2,770
Machinists, International Association of.. . . .	16	675
Maintenance-of-Way Employees, Brotherhood of..	43	2,206
Metal Polishers' International Union..	1	
Metal Workers' International Association, Sheet..	2	75
Mine Workers of America, United..	13	500
Moulders' Union of North America, International..	18	4,013
Musicians, American Federation of..	16	1,171
Painters, Decorators and Paperhangers of America, Brotherhood of..	4	500
Papermakers, International Brotherhood of.. . .	8	290
Pattern Makers' League of North America.. . . .	1	60
Photo Engravers' Union of North America, International..	2	416
Piano, Organ and Musical Instrument Workers' Union..	2	98
Plasterers and Cement Finishers' International Association of..	5	300
Plumbers and Steamfitters, of America, United Association of..	19	2,570
Printers and Die Stampers' Union, International Plate..		
Printing Pressmen and Assistants' Union, International..	4	50
Pulp, Sulphite and Paper Mill Workers' International Brotherhood of..	4	740
Railroad Employees, Canadian Brotherhood of.. .	31	602
Railway Carmen, Brotherhood of..	45	2,666
Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, Brotherhood of..	11	459
Railway Conductors, Order of..	22	2,810
Railway Employees of America, Amalgamated Association of Street and Electric..	28	29,630
Railroad Telegraphers, Order of..	2	
Railroad Trainmen, Brotherhood of..	38	17,410
Seamen's Union, International..	1	4
Steam and Operating Engineers, International Brotherhood of..	4	100
Stonecutters' Association of North America, Journeymen..	2	
Tailors' Union of America, Journeymen.. . . .	5	480
Teamsters, Chauffeurs, Stablemen and Helpers, International Brotherhood of..	4	655
Textile Workers of America, United..	1	
Typographical Union, International..	15	6,654

[Mr. Gerald H. Brown.]

Local Branches of International Organizations	Number Reporting of Unions	Sick and Benefits Accident
Upholsterers' International Union.. . . .	1	
One Big Union.. . . .	2	25
Industrial Workers of the World.. . . .	1	
Local Branches of Non-International Organizations		
Carpenters of Canada, Amalgamated.. . . .	10	335
Canadian Federation of Bricklayers, Masons, Plasterers and Other Building Trades.. . . .	1	
Canadian Electrical Trades Union.. . . .	2	1,975
Canadian Federation of Labour.. . . .	1	
Brotherhood of Dominion Express Employees.. . . .	5	197
Dominion Postal Clerks' Association.. . . .	4	10
Federated Association of Letter Carriers.. . . .	5	
Canadian Association of Railway Enginemen.. . . .	1	
Provincial Federation of Ontario Firefighters.. . . .	4	520
National Sailors and Firemen's Union of Canada.. . . .	1	12
Trades and Labour Congress of Canada.. . . .	8	249
National and Catholic Unions.. . . .	21	10,297
Independent Local Bodies		
Barbers Union.. . . .	1	3
Japanese Workers, Union of Canada, Vancouver.. . . .	1	37
British Columbia Miners Association.. . . .	1	
Waterworks Operators, Winnipeg.. . . .	1	
Labourers Protective Union.. . . .	1	
Syndicated Longshoremen of Montreal.. . . .	1	
Civic Employees Federation.. . . .	1	25
Torcedoros de Havano, Union de (Cuban Cigar-makers), Montreal.. . . .		
Knights of Labour.. . . .	1	
Independent Brotherhood of Telephone Workers, Winnipeg.. . . .	1	320
Totals.. . . .	658	\$114,311

With regard to sickness insurance, we have had word during the past month of the subject receiving special attention in two provinces of Canada, the province of British Columbia on one hand and the province of Alberta on the other hand. In British Columbia the chairman of the Workmen's Compensation Board, Mr. Wynn, has been discussing the subject publicly and has recommended the establishment of sick insurance in British Columbia. In the province of Alberta at the end of last month, there was a resolution proposed by Mr. Fred White, the leader of the Labour Group, which was adopted, as follows:

Resolved that the Government should cause an inquiry to be made for the purpose of inquiring into legislation now in force in any country, such legislation and proposals having for their object, the provision of any medical or surgical services to the people as a public service, the nature and extent of such service and the efficiency thereof, the cost thereby entailed on the public funds, and the financial feasibility of adopting with or without modification any such legislation or proposals in the province of Alberta, having regard to prevalent conditions and circumstances and the probable cost. Such report shall be completed in order that it may be submitted to the legislature at the next session.

With respect to the situation as to sickness insurance outside of Canada, having thus dealt briefly with the matters here, I would say that sickness insurance had its inception in the work of the Guilds, in the middle ages, which continued for a very long time, until indeed the break-down of the Guild system following the introduction of machinery on a large scale, and what is sometimes referred to as the industrial revolution.

The labour unions interested themselves in sickness benefits during the latter part of the last century and systems of voluntary insurance came into existence in a number of different cases.

There are two systems of insurance protection against sickness, which are in effect in countries outside of Canada, one compulsory insurance, the other encouraging the formation of institutions by private initiative, and in some cases, financial support.

The countries in which there is compulsory sickness insurance are as follows: Germany in 1883 passed the first compulsory sickness law covering industrial workers only. In 1885 the scheme was extended to include workers in commerce, in 1886 agricultural workers. Other industrial countries which soon followed the example of Germany were; Austria in 1888, Hungary in 1891, Luxembourg, 1901, Norway, 1909, Serbia, 1910, Great Britain, 1911, Russia, 1911, and Roumania, 1912. It may be noted that systems of sickness insurance established since the war have all been compulsory in their character. These include Bulgaria, 1918, Jugo-Slovakia, 1919, Portugal, 1919, Poland, 1920, Japan, 1922, Greece, 1922, Chile, 1924, and Lithuania, 1925. In France an investigation has been made and a scheme of social insurance has been provided which includes sickness insurance. In Australia and South Africa commissions have been appointed to study the question. In Brazil a labour code which will contain a provision for sickness insurance is in course of preparation.

As a rule, compulsory sickness insurance schemes apply to wage-earners, others being only included by way of exception. Many schemes protect the worker's family as well as himself, and they get medical and drug services as well. The money necessary for the financing of the scheme is provided by the insured person and the employer and the public authorities, the principle of workers contributions being accepted in all countries except Soviet Russia. In most countries the rate of benefit is proportionate to the standard of living of the worker; in other words it is not exactly on the basis of the unemployment insurance plan which is a flat rate for unemployment insurance benefits, and an attempt is made to meet more particularly the need of the individual family and the individual worker.

Mr. WOODSWORTH: Yet we call these backward countries.

WITNESS: Now, Mr. Chairman, Miss Macphail and gentlemen, I am afraid I have spoken in a very discursive way on these matters. We have been very busy in the department lately, and therefore I have not had an opportunity of preparing anything very definitely, but I have endeavoured, in what I have said, to give a résumé of the situation as we find it existing in Canada on the subject of unemployment insurance and sickness insurance.

Invalidity insurance which is also referred to in Mr. Heaps' resolution, I shall not deal with at length, as the features are included in health insurance in England and elsewhere.

By Mr. Heaps:

Q. It does not include such afflictions as blindness?—A. I might mention that there is of course a special provision in the Old Age Pensions Act in a number of States which deals with that particular form of incapacity, and treats the person who is blind to the extent of being incapable of work, that is, being prematurely old.

Q. That would not take care of a man of age 40?—A. Yes, in some cases, it takes care of a case whenever it occurs.

Q. In some cases of blindness, they fix an age limit?—A. In some cases they do. I think they all would include age limits. The Old Age Pensions do cover blindness specifically in a number of cases, and indeed do not stop short at cases

[Mr. Gerald H. Brown.]

of blindness. The law is being applied in a special way to other cases of disability as well.

Q. Do you know of any country in which unemployment insurance has been in effect where they have gone back on the scheme?—A. No.

Q. It has been generally followed?—A. I have no knowledge of any case where the system has been done away with. Perhaps it might be worth mentioning that Germany has upwards of 20,000,000 of its work people under the benefits of unemployment insurance and that more than 15,000,000 are similarly protected in England. In the case of Germany they have recently, in fact during the past year, in 1927, put through a comprehensive law in the Reichstag which systematizes the whole administration of unemployment insurance, and which, by the way, omits any contribution by the state towards it. The cost is divided between the worker and the employer equally.

Q. It has increased in that case the burden on industry?—A. It has increased the burden on industry to that extent; it has divided it with the worker equally.

If I might mention also, we have here two reports of the International Labour Office of the League of Nations, dealing with compulsory sickness insurance, issued within the past month, and, therefore, right up to date, containing data as to the systems of voluntary sickness insurance on the one hand, that is to say, a collection of the national statutes, laws and statistics, and on the other hand, a comparative analysis of the National laws and statistics bearing upon compulsory sickness insurance. We have several copies of this publication, which have come in to the Labour Department; of course they are at the service of the Committee if the Committee so desire. There will be no serious difficulty in obtaining further copies of it.

By the Chairman:

Q. Can you get copies for the Committee?—A. I do not know the membership of the Committee.

The CHAIRMAN: The membership is 35.

Mr. HEAPS: I do not know that there are many who would care to go into it; it is very voluminous.

WITNESS: I will leave these here, and I will also distribute if I may, through the secretary of your Committee, copies of a memorandum on Unemployment and Sickness Insurance and of the Blanesburgh report by itself. I will also include a copy of the British Act.

The CHAIRMAN: I think it is important to have the Act, following the report.

WITNESS: I have also a memorandum here referring to the subject of sickness insurance systems in effect in Canada. I think it might be well to have it distributed as well.

Mr. WOODSWORTH: And we might as well have a summary of the orders in council.

WITNESS: Very well. Mr. Rigg, who is with me this morning, has had to do with the operation of the Employment Service in Canada since its inception in 1919. Mr. Rigg is a former vice-president of the Trades and Labour Council of Canada; he is director of our Employment Service at Ottawa now, and is thoroughly well posted on the whole subject of unemployment, having had to do with it for years past. I am sure he will be glad to give Mr. Heaps the particular information which he asked as to Manitoba matters, if he so desires.

By Mr. Neill:

Q. Could the Labour Department compile, without any great expense, a statement showing unemployment so far as it can be obtained by the machinery

at their hands for the last two, three, five or six years, month by month? We are supposed to be considering the matter of unemployment, and I think it would be a good idea to know how much unemployment there is whether it is seasonal or periodical, so to speak, and whether it is getting worse or better.—A. Mr. Rigg can furnish the Committee with returns quite readily. They are listed month by month through the employers' returns on the one hand, and the returns we have from the workers' organizations on the other hand.

Q. Coming down in the list to the biggest class, where do you get your data on that?—A. I am sorry to say that as to the subject generally, there are no statistics available as to the total number of unemployed who are on the market at any one time.

Q. Do not the cities have records of the unemployed that they relieve?—A. Of unemployment relief, yes. But, of unemployed, no. There are no statistics, as such, of the number of unemployed at any one time, and the estimates that have been made range over a very, very wide range. One notices the same thing when you turn from our own country to the United States. Only this week there has been brought down in Washington a statement by the American Secretary of Labour—Mr. Davis—in which they give an estimate of 1,800,000 odd unemployed in the United States, as compared with statements which were made in the discussion of the subject in Congress by Senator Wagner of New York, a few weeks previously, I think, of four or five million.

Mr. WOODSWORTH: May I suggest that we now begin to question Mr. Rigg with regard to the details of unemployment?

The CHAIRMAN: Any other questions for Mr. Brown to answer.

Mr. HEAPS: One short statement instead of a question. The reason I referred to the Manitoba Commission as to unemployment was to show the fact that the Manitoba government was the first government to bring in a report dealing with a recommendation of this character. The Commission was unanimously in favour of recommending to the Dominion Government a scheme of unemployment insurance.

The CHAIRMAN: What date was that?

Mr. HEAPS: This year.

The CHAIRMAN: Any other questions? Thank you Mr. Brown for the help you have given us. You want now simply to question Mr. Rigg?

Mr. WOODSWORTH: It seems to me we will have time only for that, unless we ask Mr. Rigg to come back.

The CHAIRMAN: We have about half an hour left, and perhaps that will be the better policy.

Witness retired.

R. A. RIGG called and sworn.

By the Chairman:

Q. State your name in full, and your position with the Department, Mr. Rigg?—A. Richard A. Rigg, director of the Employment Service Branch of the Department of Labour.

The CHAIRMAN: Mr. Rigg is now ready for your questions.

By Mr. Woodsworth:

Q. I have a few questions that occurred to me while Mr. Brown was speaking, and that perhaps will draw out the extent of that work. What proportion of the employers report to you?—A. I cannot say as to the proportion. I do not know how many employers there are in the Dominion of Canada; but normally, a little over 6,000 report, not to us, but to the Dominion Bureau of Statistics.

[Mr. R. A. Rigg.]

Q. You do not know what proportion that 6,000 bears to the whole number?—A. I do not know.

Q. Do you know what proportion of the employees that that report covers bear to the total employees?—A. No, I do not know what the total number of employees may be.

By Mr. Neill:

Q. Is it not a fact that they are compelled to report if they employ more than so many employees?—A. Not necessarily compelled, Mr. Neill. They are, in the event of being asked to.

By Mr. Woodsworth:

Q. Then the figures by no means cover the whole field?—A. They are not comprehensive or all inclusive; we regard it rather as a sampling process.

Q. Coming then to the trades unions' figures, what proportion of the trades unions report regularly?—A. We receive reports regularly from over 1,500 trade unions.

Q. And how many trade unions are there in Canada?—A. I cannot answer that question, Mr. Woodsworth. I have not got the figures here. I had not thought the questions would develop along this line, or otherwise I would have brought the information with me. There is no difficulty in obtaining it at all.

By Mr. St-Pere:

Q. Are there 1,500 trade unions in Canada?—A. 1,500 local unions report to us their total memberships, and the percentage or the number among them that are unemployed, regularly.

By Mr. Woodsworth:

Q. Have you any idea at all as to the proportion of employees in this country who are organized in trade unions?—A. No, because I do not know the number of employees in the country.

Q. Those men who would likely be out of work would be the casual labourers?—A. The majority of those out of work would be the unskilled workers.

Q. And they are not so likely to be enrolled in trade unions?—A. No.

Q. So that, as a matter of fact, those figures coming from the trades unions do not give any very clear indication of the employment or otherwise of the masses of the workers?—A. They might not indicate an exact percentage of the total of unemployment. They do, however, reveal the general conditions which prevail in the country. I have available here the returns which have been received from trades unions since the collection of this material began in 1915, and you will find the gradual rise and fall of the volume of unemployment in accordance with the industrial conditions prevailing in the country at a given time.

Q. Do not these figures indicate tendencies?—A. Yes, quite. They are, I think, good barometers of the tendency of industry.

Q. But, they do not deal with the absolute facts of employment or unemployment?—A. No, there is no data available anywhere on this North American continent either regarding Canada or the United States, which will give any adequate and sure information with regard to numbers unemployed.

Q. Your general statement pretty well covers my point. I come to the third agency that reports, your employment offices. I would like to ask there whether in your judgment the reports of the numbers of people who make application for employment indicate the extent of the unemployment?—A. No. It is a very peculiar thing, perhaps, to some people that I should say that, because I rather fancy that it is the popular idea that the number of registrants for employment at the employment offices should increase in proportion to the

[Mr. R. A. Riigg.]

volume of unemployment which exists in the country. That, however, is an entirely erroneous idea. As a matter of fact, during periods of severe depression, the percentage of the unemployed who register in our offices for employment is much less than is the case when the percentage of unemployment is low, and, the percentage of opportunity great.

By the Chairman:

Q. How do you explain that?—A. In this way, Mr. Chairman; that so far as many of the workers are concerned, they become so possessed of a sense of hopelessness, so far as securing employment is concerned, that they do not even take the trouble to register. The experience is this: that a man or a woman will go around eagerly hoping to secure employment, for a given period; gradually a spirit of despair creeps in because of the failure to secure employment; and, the reason why they do not secure employment, is because there is no employment opportunity available, until finally they come to say, "it is no use my going through the routine of registering continually; I know perfectly well there is not an opportunity for me to secure employment." And therefore, they lapse from the list, and our figures for that purpose, for the purpose of indicating the volume of unemployment, may become very, very deceptive if they are used for that purpose.

By Mr. Neill:

Q. How long does it take them to lapse? Can you say how many weeks?—A. It all depends on the individual, Mr. Neill. You know there are some people who are possessed of a great deal more hope than others.

Q. I know, but how long is it before they should re-register?—A. Two weeks.

Q. And if they do not re-register you take them off the list?—A. Quite so.

By Mr. Woodsworth:

Q. These figures if used, in themselves may give an absolutely erroneous impression, even as to the tendencies?—A. Yes, they may very well, as a matter of fact. I understand your question, Mr. Woodsworth, and I agree with you entirely, but if the returns showing the volume of business done in the employment offices are used as a barometer of employment conditions, they may very easily lead people seriously astray. They are not intended for that purpose. They are a record of work accomplished in the office, but if used for any other purpose, they may become deceptive.

By Mr. Neill:

Q. What you said to begin with was that the percentage was different. I can quite realize that, but I can hardly credit the statement that the whole number would be less?—A. No, but the percentage will be less.

Q. Then the number of registrants is an indication of the amount of unemployment, and will be more in times of unemployment than otherwise, although the percentage may be less?

Mr. HEAPS: May I put it in this way: If the workers know that there is no employment to be had, then these employment exchanges have very few registrations. If there is a good demand for labour, then numbers of people come down and register.

WITNESS: That is quite so.

By Mr. Woodsworth:

Q. If I may make this clear; it might even be not merely that the percentage will be less, but that the absolute number will be less; that is, if there is a

[Mr. R. A. Rigg.]

great deal of unemployment, and every one knows there are no jobs, the people are not going to take the trouble to go to the office?

Mr. ST.-PERE: They will not register.

Mr. NEILL: They won't finally, but they will to begin with.

Mr. WOODSWORTH: They may, but on the other hand, if everything is moving rapidly, and employers are coming in and wanting people as fast as they can get them, there will be a rush to the offices to get jobs.

By Mr. Woodsworth:

Q. Is not that so, Mr. Rigg, at the time of the harvest?—A. Yes, that is true, not merely at the time of the harvest, but it is true when the peak condition exists in the country in industry generally. At the same time, what Mr. Neill says is quite correct, that the number of registrants will normally be higher during a period of severe depression, but at the same time the percentage of those unemployed registering will be less.

Q. To be perfectly clear in my main statement, taken in themselves the figures given by the employment offices do not really illustrate the volume of unemployment in the country?—A. No.

Q. They cannot be used for that purpose?—A. The figures of trade, the returns of trade unions unemployment, and the employers' returns showing the volume of employment afforded in industry are much more satisfactory indicators of industrial conditions. That is their function.

Q. Then, being in touch with all these sources of information, can you give this Committee any definite idea as to the amount of unemployment in Canada now, or as to what it has been, say within the last five years?—A. I cannot. I would not even hazard a guess, because if I did, I know perfectly well that the man on the street would be quite entitled to say I was wrong, and make a statement that some other given number represented more accurately the conditions, and his statement would be just as good and valid as mine. The estimates which are presently being used in the United States indicate how utterly impossible it is for any statement to be made with any reasonable degree of certainty as to the number of unemployed. The United States Department of Labour says there are 1,800,000; other people whom, I think, may be quite as competent observers say there are 4,000,000, and the figures range in between.

By the Chairman:

Q. Mr. Rigg, how long will that be left in that condition, whereby we will be unable to know definitely or at least approximately the number of unemployed in Canada and the United States? Is there any method for providing machinery by which we can nearer and nearer approximate the number of unemployed in the Dominion?—A. I think it would be a very difficult thing to achieve, Mr. Chairman. I am quite sure that anything but a rather rough approximation would be impossible. You cannot get accuracy except by one method, and that would be the method of an unemployment insurance scheme which would cover all industry and then, of course, when people are unemployed, they would register for the purpose of securing the benefits derivable from the insurance.

By Mr. Heaps:

Q. May I ask one question which is rather important? You receive from the employers a monthly statement as to the number of men and women employed in industry. Do you keep any record of the number partially employed?—A. No.

[Mr. R. A. Rigg.]

Q. A man may say that he has a thousand men and women on his payroll, and they may be employed for three days a week?—A. Quite. Sometimes they do. For instance, I could quote the case of a coal company whose payroll varies very little during the year, but at the same time, so far as output is concerned, it varies enormously during the different periods of the year, and yet substantially the payroll figures will show the same number of payroll employees when 100,000 tons of coal a week are being produced as are shown when only between 50,000 and 60,000 tons of coal per week are being produced. That means that the mines are on short time, in other words, partial unemployment.

Q. Do you get the number of hours of work in your returns?—A. No.

Q. Do you not think that the number of hours that the men and women were employed in industry would give some indication as to the question of partial employment?—A. I think myself that something along that line should be done, but we are not responsible for the collection of the figures.

Q. I know that, but I am putting the suggestion to you as one who has experience in the collection of data and statistics.—A. It would be possible to secure figures relating to partial unemployment.

By Mr. Woodsworth:

Q. I was going to ask if you have any means of ascertaining, or if any effort has been made to find out, the seasonal employment in Canada?—A. Not a detailed study, Mr. Woodsworth, but some study has been made. Imperatively it is forced upon one whether one wants it or not. We do pay a good deal of attention to seasonal fluctuations in industry and of course one of the great disabilities which Canada has to face is the problem which bulks very big in this country, seasonal employment.

Q. Are there any statistics at all that would give us an idea of what proportion of the time workers is unemployed in the year?—A. None whatever, to the best of my knowledge.

Q. Is there any study of that made in regard to skilled workers?—A. No. The information which we get from the trade unions indicate that on a given day, the last working day of the month, they have so many members and so many of these members are unemployed, but that does not give any indication at all concerning the information for which you are asking.

Q. There is another thing. We have immigration to this country and emigration from this country. Have you any means of ascertaining to what extent emigration has relieved the unemployment situation in this country?—A. I cannot say with any definiteness, but I am quite sure from my observations, for instance, in the years 1923 and 1924, that there was a very considerable relief afforded to Canadian workers through migration to the United States.

Q. But you have no figures?—A. No figures whatever.

Q. On the other hand, have you any information as to the effect of a large influx of immigrants to Canada?—A. Only in a very general sort of way, not specifically. For instance, we know that almost a year ago the influx of certain immigrants from Europe affected the industrial situation in Canada making it more difficult for persons resident in Canada to secure employment.

By Mr. Neill:

Q. Could you not almost say "flooded" instead of "affected"?—A. I would not care to go so far as to say that it was flooded, but you will remember that there was a protest, and a very vigorous protest, from western Canada on this ground.

[Mr. R. A. Rigg.]

By Mr. Woodsworth:

Q. The statement has been made that very frequently the new arrival was given preference over, or took the place of, the worker already on the job.—A. There are evidences to that effect.

Q. Would the officers of your Employment Bureaux corroborate such a statement as that?—A. The officers in some of our offices corroborated the information which reached us from other sources. There is one phase that I would like to refer to, which I think would be of interest to the Committee, in relation to the subject which you are considering. I regard the organization of the Employment Service of Canada as a contribution towards the problem of the solution of unemployment, however, small it may be. It affords more adequate and fairer opportunities than the private agencies were able to give. There is more honesty of purpose in its effort than has been characteristic of the agencies. There is more of a definite ambition to fit the right man into the right place. There is no intrigue between the employment offices and the foremen and superintendents on the job, which resulted in the corruption and exploitation of the worker. I do not think the country at large is sufficiently seized of the fact, that, so far as the operation of the offices of the Employment Service of Canada is concerned, approximately one half of the total placements that are made during the year—an average of 420,000 placements a year are made by the sixty-four offices of the association—have to pay transportation in order to reach the place where employment is afforded to them. Over 200,000 each year ordinarily have to pay transportation in order to reach the destination where employment is available. Of this number, between 35,000 and 40,000, or about ten per cent of our total placements, travel a distance where the railway fare is in excess of \$4. That is, the distance they are travelling is over 116 miles. That is one of the contributions of this organization towards the solution of unemployment, finding jobs at distant points for the man. The railway companies grant us a special rate of 2.7 cents per mile, where the transportation cost exceeds \$4. That is a very valuable contribution of about twenty-five per cent off the regular tariff rate, which is made by our railways. That is something that is not ordinarily known by the outsider regarding the work which the Employment Service is undertaking.

By Mr. Woodsworth:

Q. The transportation charge is about three-quarters?—A. It is about a twenty-five per cent reduction on the regular tariff rate. It helps enormously in securing transportation to workers in distant points.

By Mr. Neill:

Q. Is there any co-ordination, so to speak, through your Department, or something like that, between the different offices? There is an office in Vancouver, and perhaps 400 men might apply for work, and there is no need of them. Do they just simply tell them they are not needed, or would they see if there was work, say, in Calgary?—A. If that labour is not immediately available locally, Mr. Neill, then your Mr. McVety, whom I dare say you know, would distribute that order throughout the offices in British Columbia, where he had any reason to believe the labour required might be available. If, however, these sources could not supply the labour, or if, in the mind of the provincial superintendent, it was decided that the labour would not be available, then the order would be forwarded to Ottawa and we would broadcast it throughout the length and breadth of the land.

You might be interested to know that only the other day we were on the point of securing a placement for a man in Halifax up in Anyox. However,

[Mr. R. A. Rigg.]

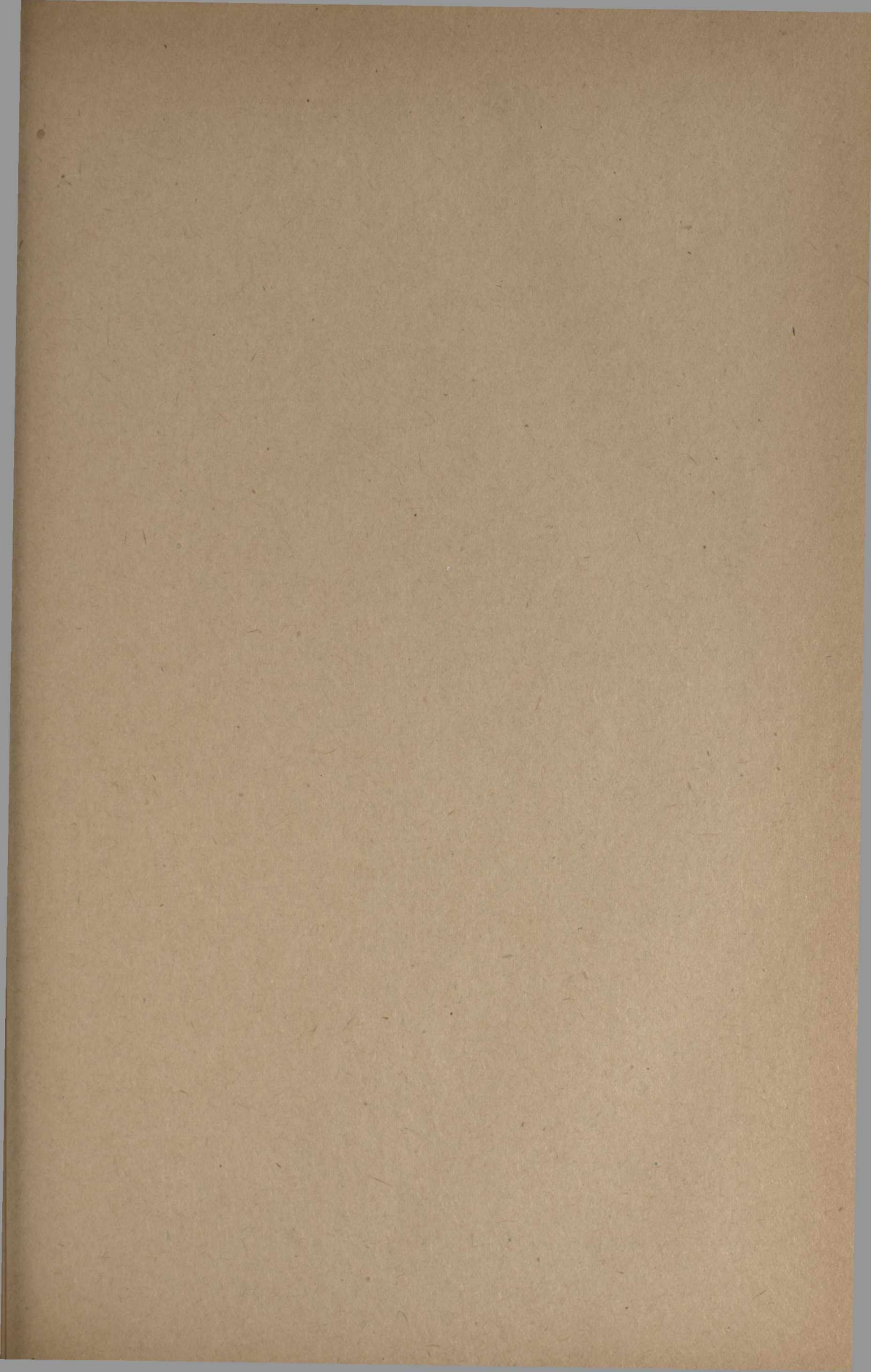
just as we were about to consummate this arrangement we received a wire from Vancouver that they had secured a man in Vancouver of the type required, and we had to cancel our arrangement. That, of course, is an extreme case.

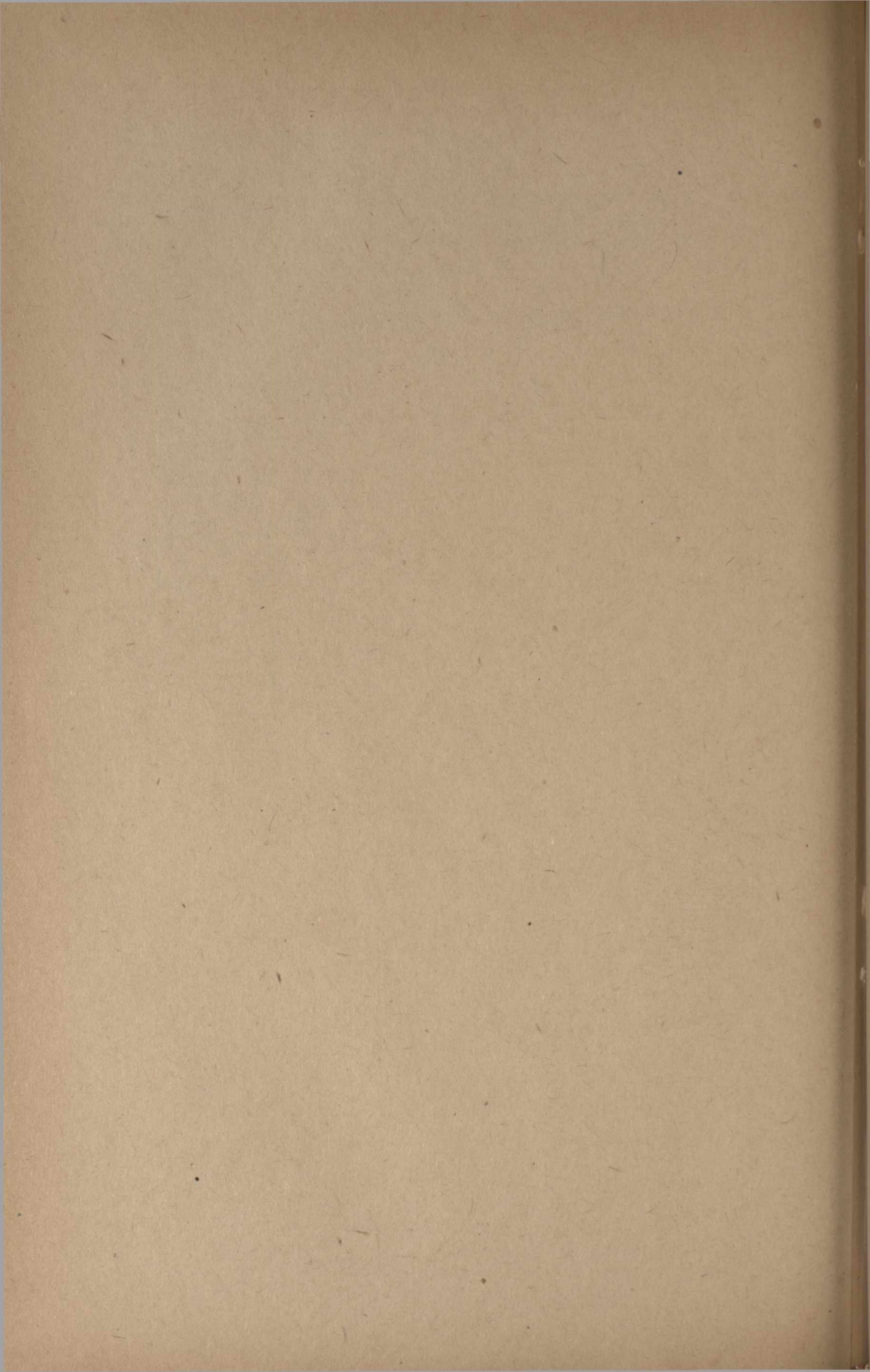
By the Chairman:

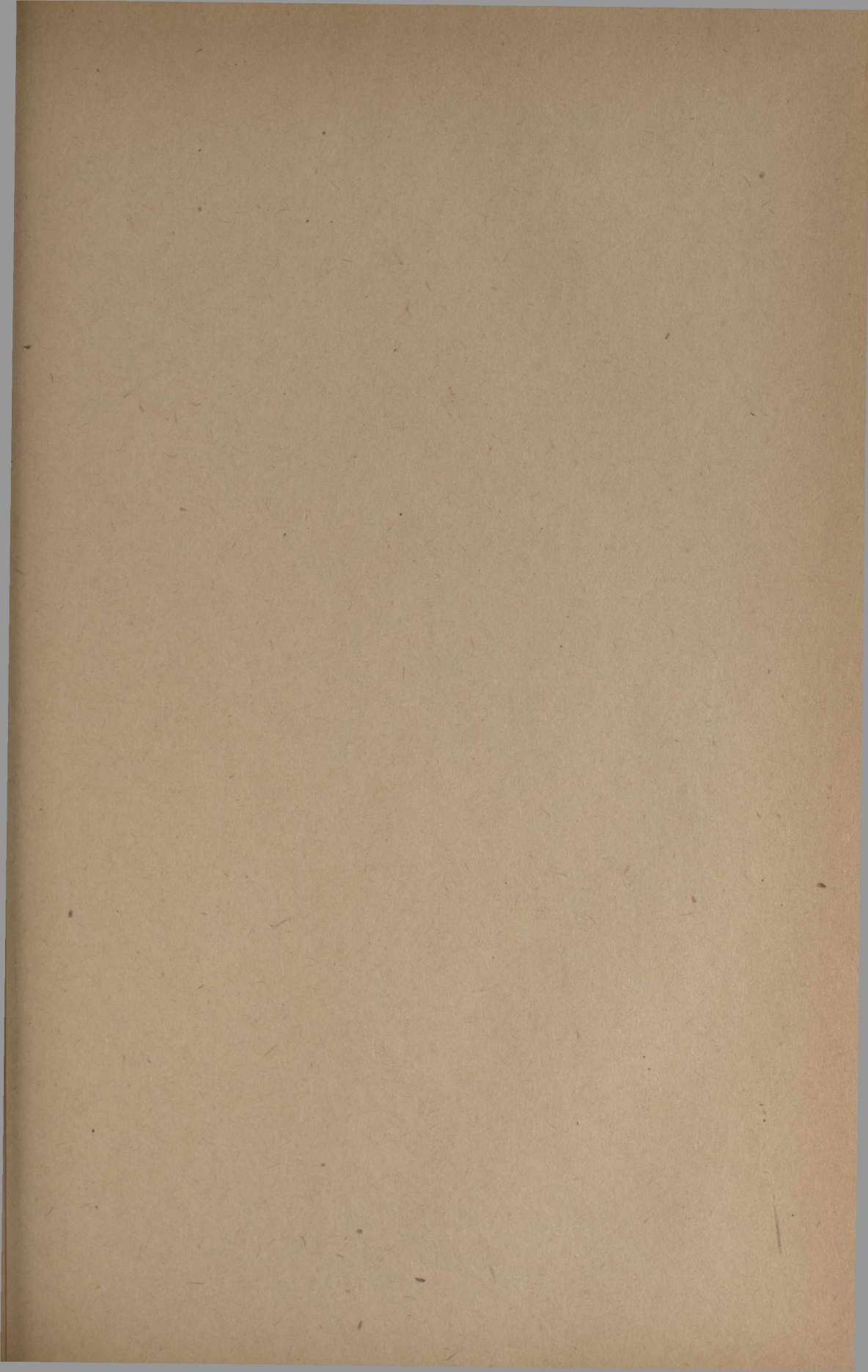
Q. The employer does not come forward to extend any help to a man who is seeking a job, if he lives a distance away?—A. Not ordinarily. Frequently an employer will advance the transportation, and deduct it from the wages later.

Witness retired.

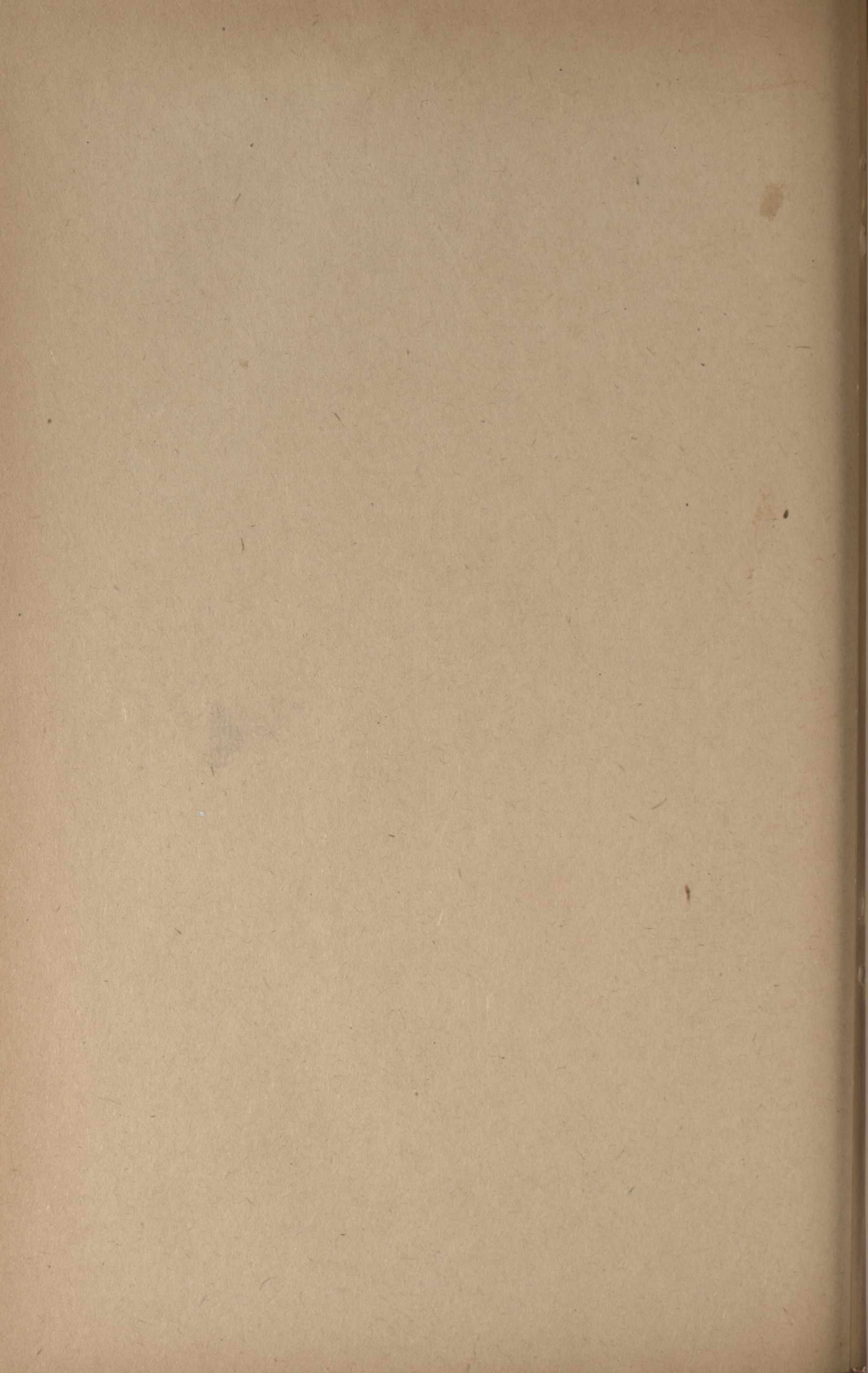
The Committee adjourned until Wednesday, April 11th, at 11 a.m.











SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

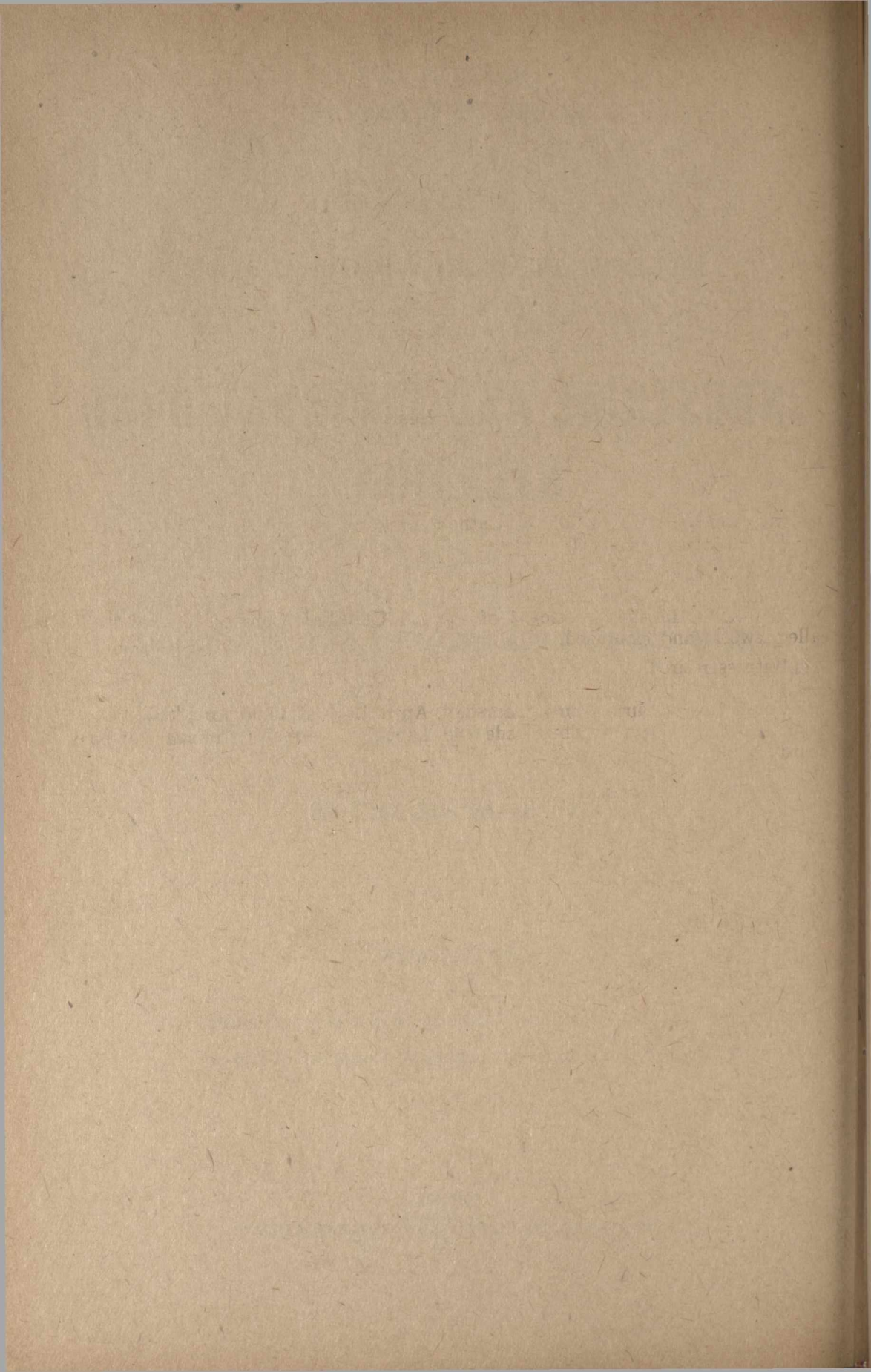
No. 8—APRIL 11, 1928

WITNESSES

Mr. Pierre Beaulé, President, Catholic Workers of Canada.

Mr. A. R. Mosher, President, All-Canadian Congress of Labour.

OTTAWA
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1928



MINUTES OF PROCEEDINGS

WEDNESDAY, April 11, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11.00 a.m.

Mr. McIntosh (the Chairman) presiding.

Present: Messieurs Bell, Grimmer, Johnstone (Cape Breton), Jenkins, Letellier, Neill, St. Père, Thorson, Woodsworth, and Hon. Peter Heenan—11.

Minutes of March 29th, read and approved.

Mr. Pierre Beaulé, president, Catholic Workers of Canada, called, sworn, and examined in French, the evidence being interpreted by Mr. St. Père, M.P.

Witness discharged.

Mr. A. R. Mosher, president of the All Canadian Congress of Labour, called, sworn, and examined.

Witness retired.

Committee adjourned until Thursday, April 19th, at 11.00 a.m., when Mr. Tom Moore, president of The Trade and Labour Congress of Canada will be heard.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

COMMITTEE ROOM 375,

HOUSE OF COMMONS,

WEDNESDAY, April 11, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock, a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: Gentlemen, if you will come to order, we will start our proceedings. We have two witnesses that the committee gave instructions to secure for to-day's meeting. I may say that we tried to get Mr. Tom Moore, the President of the International Trades and Labour Congress, but found it impossible. On finding that impossible we went to work and tried to get two others. Mr. Mosher, who is President of the All Canadian Trades and Labour Congress organization is with us this morning. We also have Mr. Beaulé, who is President of the Catholic Workers' Union of Canada.

PIERRE BEAULÉ called and sworn.

(Witness gave his evidence in French, Mr. St. Père, M.P., acting as interpreter.)

WITNESS (Translation): The Roman Catholic organizations I represent, what we call the Catholic Syndicates, are in favour of these different systems of pensions for old age, sickness, unemployment, and so forth. We claim that the Catholic Syndicates have asked and have advocated a number of times that this system of pensions be granted. We claim that in the province of Quebec especially this system of pensions would do a lot of good. The associations I represent have steadily advocated these systems, and they are all in favour of the principle.

By Mr. Letellier:

Q. Are you in favour of insurance against unemployment?—A. The Catholic Syndicates are in favour of any system of insurance or of pensions that would take in unemployed and aged people, in fact all that is included in the reference to this committee.

By Mr. Neill:

Q. What bodies do you represent?—A. The Roman Catholic Syndicates. The Roman Catholic Syndicates in Quebec are composed of about twenty to twenty-five thousand workers.

Mr. ST. PÈRE: Mr. Letellier has just asked the witness this question; are you of opinion that employers should be compelled to contribute to such a pension fund?

WITNESS: The Catholic Syndicates would be in favour of a system that would compel, a federal system that would compel the provinces, the municipalities and the labour unions to contribute to such a fund, but, realizing the fact that Premier Taschereau of the province of Quebec has declared himself completely opposed to old age pensions, feeling that the province of Quebec does

[Mr. Pierre Beaulé.]

not need such an arrangement to take care of the aged people of that province, in such a case, if a province refuses to contribute, the Federal Government, in the face of such refusal from any province to contribute to any such fund, should take upon itself the work of organizing a system, with the co-operation of employers and employees and the labour unions. In fact I am insisting on the fact that everybody should be compelled to contribute, the provinces and the municipalities, the labour unions and the employers; but if the provinces refuse to contribute, and the municipalities refuse to come in, the Federal Government, the labour unions and the employers should act in such a way as to put such a scheme into force.

The CHAIRMAN: He does not think the provinces and the municipalities should be allowed to hold up the scheme?

WITNESS: No.

By Mr. Woodsworth:

Q. Do you suggest that the labour unions as such should contribute, or the members?—A. The unions belonging to Quebec would contribute to such a scheme, and I think the principle should be that every member be compelled to contribute.

Mr. WOODSWORTH: In England, and I understand in most European countries, it is the employers, not the employers' organizations, but the individual employers and the individual labourmen, and not organizations, who contribute.

WITNESS: The Catholic syndicates would be agreeable to adopt such a system. The only objection I see is that the Federal Government cannot compel the Provincial authorities to enact legislation so as to compel the labour unions, and the municipalities to contribute to the scheme. But, in case the provincial and municipal authorities refuse to contribute their share, nevertheless, the Federal Government should enact a law, and I would then be in favour of this: that the Federal Government having provided for a scheme should not compel but allow the labour unions to contribute. In the case of municipalities and provinces refusing to come in, then the Federal Statute should allow the syndicates or the unions to create a special fund providing that the employers and the Federal Government would come in and pay their respective shares.

By Mr. Letellier:

Q. What would be the result in the case of a refusal from a certain number?—A. I favour the principle as far as the law is concerned and I would leave it with the Federal legislature to enact appropriate legislation so that a working scheme could be established.

By Mr. Heaps:

Q. Are you in favour of every employer and employee coming under the provisions of such an Act?—A. Even if they do not belong to a federal union?

Q. Yes. I understood you to say that you would be agreeable to such a system if the Federal Government enacted such a law.

By Mr. Neill:

Q. Would not having the individual man contribute be much better than a contribution from a union, because the union does not take in a lot of unorganized labour?—A. That fact does not change my view at all, and perhaps it would be possible to organize an efficient control so as to compel everybody to come in.

[Mr. Pierre Beaulé.]

By Mr. Woodsworth:

Q. To clear up that point as I understand it, if I may go to another type of insurance; on some parts of the continent of Europe, in Belgium and France, with regard to family insurance and allowances, the manufacturers' association, on the one hand and the labour union, the "Syndicates" on the other, have an arrangement among themselves, the two organizations, and it is quite apart from the Government, it is a voluntary thing. In Great Britain, on the other hand, the Government itself steps in and deals with the individual labourers or employees, and with the individual employers, and takes in people, whether they are in an organization, or not. I would like to have you discuss that point of view?—A. I would be in favour of employers, governments, and labour people all contributing to such a fund.

Q. Can you give us any information at all as to the extent of unemployment in the province of Quebec, that will make necessary such an insurance scheme?—A. In the city of Quebec?

Q. No, in the whole province?—A. As far as I know about the unemployment situation in Quebec, from information obtained from my own organization, I think about five or six thousand people would benefit by such a law.

Q. That is about 25 per cent would be out of employment, for part of the year?—A. Five or six thousand of the employed people represent practically what may be called, seasonal unemployment.

By the Chairman:

Q. How long would that seasonal unemployment last?—A. That seasonal unemployment lasts for about three or four months a year.

By Mr. Heaps:

Q. Will you be good enough, speaking of your own membership, to tell us of the general labour situation in Quebec?—A. I think that five or six thousand people represent the unemployed belonging to the syndicates.

Q. What particular industries do your own syndicates represent?—A. Most of the industries of Quebec are represented in the Syndicate that I am speaking for.

By Mr. Neill:

Q. But not common labour?—A. No.

By Mr. Letellier:

Q. Do you include only Quebec city in that five or six thousand people?—A. Those five or six thousand unemployed people belong to trades, and long-shoremen. They belong to all those organizations that I really consider as being labour unions.

By Mr. Woodsworth:

Q. But the amount of unemployment would probably be greater among the casual workers than among the skilled workers?—A. Yes.

The CHAIRMAN: The amount of unemployment does not seem to be very heavy. For instance, 25 per cent of the 20,000 or 25,000 employees is about five thousand a year, and it runs three to four months in the year. That is like an average of a thousand in the whole of Quebec in a year.

MR. HEAPS: No, not the whole of Quebec. The witness only represents one section.

WITNESS: I represent only the Roman Catholic Syndicates.

[Mr. Pierre Beaulé.]

Mr. HEAPS: He only represents one section of the organized labour in Quebec?

Mr. ST. PÈRE: He represents the Roman Catholic syndicates.

By Mr. McMillan:

Q. What percentage of the labouring classes do you represent, in Quebec?—A. Do you mean organized labour?

Q. I mean outside of the organized labour?

Mr. ST. PÈRE: He is speaking for the Roman Catholic syndicates; he is not conversant with all the other details.

The WITNESS: The organized labour in Quebec totals about 75,000.

By Mr. Woodsworth:

Q. How many members have you in the city of Montreal?—A. The Catholic syndicates in Montreal are composed of clerks working in stores, employees, and the usual organized labour; men working in shoe factories, longshoremen, tramway workers, street car men. There are five thousand in Montreal that belong to the syndicates.

Q. Only a quarter of that five thousand would be a very small proportion of the entire number in the city of Montreal. My other question was passed over. Most of the men whom you represent are skilled workers, and the unemployment would probably be greater among the unskilled and unorganized labour; I think would be true?—A. Undoubtedly the number of unskilled labour would be larger. In Quebec there are unskilled labourers who are members of our syndicates.

Q. In the city of Quebec?—A. Yes, and the same applies to Montreal, and everywhere.

Q. Have the Catholic syndicates any provision for sickness insurance, within their own organization?—A. I would qualify that by saying that there are special funds to cover sickness, and all labour liabilities.

By the Chairman:

Q. Are those funds made up by contributions from the employers and employees?—A. The only contributors to such sickness funds are the labour people themselves.

By Mr. Woodsworth:

Q. Those funds would not be adequate as an insurance scheme? It is a mere matter of charity, and is not an adequate insurance scheme?—A. It is a philanthropic question.

By Mr. Heaps:

Q. Could you tell us something about the wages paid to the skilled workers in the industries you represent?—A. Here is a list of a few of the trades. Helpers, 40 cents per hour for a nine hour day; painters, 47 cents per hour for a nine hour day; carpenters, 55 cents per hour for a nine hour day; plasterers, 85 cents per hour for a nine hour day; bricklayers, 90 cents per hour for a nine hour day; and plumbers, 55 cents per hour for a nine hour day.

Q. What about the boot and shoe industry?—A. The men employed in the boot and shoe factories all work on piece work.

Q. What is the average wage per day?—A. In many factories, where the syndicates are represented, men on piece work make, on an average, between \$1,000 and \$1,200 per year. The men that are not organized, working on piece work, average from \$12 to \$20 per week.

Q. How many hours per day, or how many hours per week do they work?—A. In the summer time they work ten hours per day.

Q. Six days per week?—A. No, Saturday afternoon is taken off.

[Mr. Pierre Beaulé.]

By Mr. Woodsworth:

Q. Are the girls and women in the textile factories, and other trades, organized under the Catholic syndicates?

Mr. ST. PÈRE: I know they have syndicates in my riding.

The WITNESS: The girls and women, working in the cotton factories, are not organized.

Mr. ST. PÈRE: I am surprised at that, because I think they have syndicates in my riding.

By Mr. Woodsworth:

Q. Can you give us any idea of the wages, and hours, with regard to the girls in the cotton factories?—A. They do not work more than forty-eight hours per week.

By Mr. Heaps:

Q. What are the wages?—A. I cannot say precisely, but I do not think that those girls get more than \$8 per week, the year round.

By Mr. Woodsworth:

Q. \$8 per week?

Mr. ST. PÈRE: \$8. According to the statistics of the Labour Department, the average wage for men working in the cotton mills, is \$666 per year. I got that information myself.

By Mr. Woodsworth:

Q. How do you propose that the people, working on that low wage, will be able to contribute to an insurance fund?—A. I would consider it very difficult for them to contribute to such an insurance fund.

By the Chairman:

Q. What percentage of the employees in the textile industry is women, or young girls?—A. I cannot say precisely, but I think that about two-thirds of them are women. In the shoe industry, it would be about fifty per cent.

By Mr. Woodsworth:

Q. Fifty per cent of married women?—A. Young women.

By the Chairman:

Q. Girls and women?—A. Yes.

By Mr. Woodsworth:

Q. Is it the practice for these girls, after they are married, to return to work in the factories?—A. There is a very small proportion. As far as I know, in Quebec, only a few of them go back to work after they are married. In Quebec practically no woman goes back to work after she is married except in needful cases. Where the husband is out of work, a woman goes back to her old job to help him along.

By Mr. Woodsworth:

Q. Is it the practice of the employers to give a large wage or more steady work to married men?—A. From what I know of what happened during the last Quebec strike in the shoe industry—

By Mr. Heaps:

Q. When was that strike?—A. In 1926. During that strike I heard some of these employers in the boot and shoe industry say that they would prefer girls and unmarried people, to get rid of the unionized workers.

By Mr. St. Père:

Q. So far as you know are any of the employers opposed to Roman Catholic syndicates as such, or to all unionized industry?—A. About one-third of the employers are dealing with unionized labour.

By Mr. Neill:

Q. Are there non-catholic union leaders?—A. They do not care whether they are Roman Catholic syndicates or international union syndicates. The great majority of them are opposed to dealing with organized labour.

Q. Is there any non-Catholic union leader?—A. Of course, in Quebec. The Roman Catholic syndicates have been in existence since 1918. There are a lot of unions in the province of Quebec.

By Mr. Dussault (Levis):

Q. Is it not a fact that outside of those employers who are opposed to organized labour, that in the shipyards industry, such as Davies and Company in Levis, organized labour is fairly treated, and married people especially?—A. Yes. They are following the seniority system. It is the best organized syndicate they have in their union.

By Mr. Woodsworth:

Q. Do any of the companies assist the unions financially?—A. No.

The CHAIRMAN: I think the fact was established that the women and girls in the textiles received wages as good as the men.

Mr. HEAPS: No. I do not think the witness gave his version of what the man actually received in the textile industry. He just referred to the girls. Mr. St. Père said that according to the statistics of the government the wages of the men were approximately \$666.66 per annum. I do not know whether the witness can give any information as to the males employed by the cotton industry.

Mr. ST. PÈRE: These are the returns from the Labour Department.

The CHAIRMAN: I wanted to know, if that were nearly true, what about the boot and shoe industry?

Mr. ST. PÈRE: The witness said in the boot and shoe industry, those doing piece work get from \$1,000 to \$1,200 a year, and all the other workers from \$12 to \$20 per week.

The WITNESS: Girls working in the boot and shoe industry either in Quebec or Montreal draw from \$300 to \$360 per year salary, either for piece work or ordinary work.

By Mr. Neill:

Q. Nine hours a day?—A. Ten hours a day.

By Mr. Heaps:

Q. Does the minimum wage law cover any of these industries in Quebec?—A. No, not in the boot and shoe industry.

[Mr. Pierre Beaulé.]

By Mr. Neill:

Q. They have a minimum wage law, have they not?—A. No. Only girls working in the laundries and the printing industry have a minimum wage law covering their salaries.

By Mr. Bell (St. John-Albert):

Q. Would there not be a considerable amount of time when they would not be employed, and that would affect the basis of your calculation?—A. Of course. They draw this amount, taking into consideration the time they are unemployed.

By Mr. Heaps:

Q. What would a girl earn in the boot and shoe industry if she were employed for the full week of 48 hours?—A. If they work a full week they would perhaps get one-third more.

By Mr. Dussault (Levis):

Q. But she would have to stay in the factory all the year?—A. Yes.

By Mr. Neill:

Q. How much would they get for a full time week?—A. They do not hire ladies at so much per week.

Q. What would she make in a week? You mentioned \$8 at one time. Is that about the average?—A. Yes. Ladies doing piece work have to work at the factories. They have to be there, waiting for work. Sometimes poor organization in the business does not supply them with ready work, and they have to stay there and wait for work.

By Mr. Heaps:

Q. They do not get paid for the waiting time?—A. No.

Q. But they may have to be there for twelve months in the year, even though they are working only three-quarters of the time?—A. Most of the time they have to be there. The same system should prevail, so far as the men were concerned. In the boot and shoe industry the employers wanted the men to be there all the time, waiting for work.

By Mr. McMillan:

Q. Even if they had no work for them?—A. Yes. That is why the boot and shoe industry threatened to quit. These fellows who were working there, when they found themselves out of a job, out of work, told the employers that they had to go somewhere else to work. The employers retorted and said, "If you go away, and we have to start over again, you will lose your jobs."

By Mr. Letellier:

Q. Do you know that the same system prevailed with some other employers?—A. No, I do not know that, but as far as the shoe business is concerned, that is the system which presently prevails. I know men who stay there half a day in order to earn 60 cents in wages.

The CHAIRMAN: Are there any other questions? I think we have covered the ground fairly well.

Mr. ST. PÈRE: As far as I am concerned, I have only one question. He says that to summarize his evidence the Catholic Syndicates are in favour of having the federal authorities, the employers and the employees contribute to such an insurance fund.

[Mr. Pierre Beaulé.]

WITNESS: Of course this may be outside the question, but as far as we are concerned we are of the opinion that the Federal Government should deal directly with organized labour, as far as all these social questions are concerned, without bothering at all to get into connection with the provinces, or trying to induce them to take the same view as that of the federal authorities.

By Mr. Heaps:

Q. Have they more confidence in the Federal Government than they have in the provincial governments?—A. Truly, we have more confidence in the Federal Government than in the provinces.

The CHAIRMAN: He knows a good thing when he sees it.

WITNESS: Yes.

Witness retired.

A. R. MOSHER called and sworn.

By the Chairman:

Q. Mr. Mosher, you are pretty familiar with what we are discussing here, but you might make your statement first, and we will then ask you some questions, so that we may unfold every phase of the problem, if we can?—A. Mr. Chairman and members of the committee: I am here this morning representing the All-Canadian Congress of Labour.

Q. What is your position in that organization?—A. My position in that organization is President. The All-Canadian Congress of Labour is composed of independent national unions throughout the Dominion of Canada. It is the largest group of nationally organized workers in the Dominion.

By Mr. Woodsworth:

Q. Before you go on, may I ask whether there is any relationship between the organization you represent and the Catholic Unions whose representative has just spoken?—A. There is not.

By Mr. Heaps:

Q. Can you give us the number of members?—A. Approximately 50,000.

By the Chairman:

Q. Extending from coast to coast?—A. Extending from coast to coast, throughout the Dominion of Canada. I have here a very brief statement. It is brief, for two reasons, first, because the amount of time at my disposal in gathering statistics after being notified to be here was not sufficient to enable me to go into it very fully, and secondly, because I realize that your committee will be able to get most of the statistics they require at least from other sources, and will also be able to get a better and clearer idea from other sources of unemployment insurance in other countries.

First, as to the extent of unemployment in Canada. No statistics are available covering the extent of unemployment in Canada, but it is possible to make an estimate which will give some idea of the situation. The 1921 census gave the total number of urban workers as 2,068,551. In 1925, for the Canada Year Book, a careful estimate of the population was made, showing an increase of six and a half per cent. On the same basis, there would be a further increase of 3 per cent since 1925. On this ratio, the present number of urban workers in Canada would be approximately 2,184,000.

The Bureau of Statistics obtains reports from about 6,000 industrial concerns, each employing over 15 workers. On September 1, 1927, these firms

[Mr. A. R. Mosher.]

were employing over 900,000 workers. By January 1, 1928, there had been a decrease of over 79,000. If employment declined in the same ratio among all urban workers, the number of unemployed in that group at the present time would be about 190,000.

Second, as to the reasons for this condition. Unemployment is of two kinds, temporary and chronic. The first is due to seasonal conditions, to some extent, and also to what is called over-production. It is properly termed under-consumption, due to the fact that wage-earners do not receive enough money to buy back the products of their labour. Goods pile up in factories, warehouses, and stores, so that men are laid off until the goods have been absorbed.

But it must also be recognized that, owing to the increasing use of labour-saving machinery, fewer human hands are required to produce all the products necessary for the maintenance of the population. This tends to make unemployment progressively more serious.

The amount of unemployment in the United States, which is causing widespread concern there and elsewhere, shows that the prosperity of the States has been due in part at least to the development of instalment buying, which staved off the inevitable day when people would no longer be able to purchase goods on any plan.

It is not my purpose to enter into the general question of unemployment, but I wish to state, on behalf of the All-Canadian Congress of Labour, which I represent here, that we believe it will ultimately be necessary to reconstruct the present economic system, or replace it by one which will provide a better means of adjusting the balance between production and distribution. We must provide a state of society in which work will be available for every able-bodied adult on an equitable basis, and the products of labour will be distributed in the same way.

In the meantime, the problem of unemployment is one which should be made a subject of continuous study by the government. It seems to me that, in a young country like Canada, it should be possible to devise methods of encouraging new industries, where necessary, developing our natural resources, improving methods of distribution, and so on, that the adult population of the country might normally expect to be gainfully employed. By reducing the age limit for old age pensions, the condition of the older workers, who are now dismissed by employers arbitrarily in favour of younger men, except in the few industries where labour is well organized, it would be possible to relieve the frightful distress among the workers who are past their prime, and the extension of the age limit for education, the provision of apprentice training, and other measures, would probably reduce unemployment largely to the temporary type. It is to such temporary unemployment alone that unemployment insurance properly applies.

The point that I am making is that unemployment is a general condition and one which, without organized efforts on the part of the government and all the citizens of the country, will become progressively worse. We must not expect that unemployment insurance is more than a means whereby workers temporarily unemployed, through seasonal conditions, and the depressions which are inevitable under the present system, may be given such financial assistance as will enable them to maintain themselves and dependents until a normal state of employment returns.

It may be pointed out here, in view of the common opinion that conditions in England are worse than in Canada, that, so far as comparable figures may be obtained or estimated, the unemployed among the urban population of Great Britain is only 2.95 per cent, while in Canada it is 5.27 per cent. It is evident, therefore, that Canada needs some such measure far more than Great Britain.

[Mr. A. R. Mosher.]

Third; as to the allocation of the cost. On behalf of the All-Canadian Congress of Labour, which went on record at its first convention a year ago as in favour of unemployment insurance, I wish to say that we believe the cost of such insurance should be a direct charge on the industry of the country. That is the source of the income of any country, and the workers have a prior claim to maintenance; even though profits might be less for the capitalists who now secure what seems to us to be a disproportionate share of the returns of industry. The wages of the workers are too low now to provide a budget in accordance with standards of health and decency; to levy a contribution upon them towards the cost of unemployment insurance would only drive them into a worse condition.

I submit, then, that the enactment of legislation which will provide unemployment insurance is a pressing obligation upon the government. I may say further that, in my opinion, this should be a federal matter; if it is left to the provinces, we shall obtain the same conditions as now exist between provinces with a wide-awake public opinion, which demands minimum wage laws, workmen's compensation measures, and such progressive and humane legislation, and those provinces where no such laws exist, and which therefore make a stronger appeal to capital which seeks only its own advantage. Such discrimination in favour of lack of protection for its workers is one which Canada should not permit, but it is only by federal enactments that an equitable system can be established.

May I say that your Committee is charged with one of the most difficult and important matters which now lies before Parliament and the Canadian people. It is essential that the question be given thorough consideration, in the light of what has been done in other countries. At the same time, it must be recognised that no satisfactory or scientific method has yet been evolved, and it is only by study and experiment, by the lessons of experience in Canada itself, that we shall arrive at some reasonably adequate legislation.

The CHAIRMAN: Any questions?

By Mr. Heaps:

Q. I would like to ask Mr. Mosher whether his basis of calculation of unemployment, is Summer or Winter unemployment?—A. This is dealing with unemployment generally during the whole of the year.

Q. You take those figures to be an average of the whole year?—A. Of unemployment, yes.

Q. Almost 200,000?—A. Correct; 190,000.

By Mr. Woodsworth:

Q. If I may interrupt, before you go on with that. I do not quite get your point there. Do you mean to say that 190,000 people were unemployed during some part of the year?—A. I say, at the present time, according to the statistics we have, there are 190,000 unemployed. As to whether they will continue to be unemployed, throughout the whole year, or whether it is only going to be for a short time, will depend a great deal on the condition of industry.

By the Chairman:

Q. Is that due to seasonal industries?—A. There is a certain amount of it due to seasonal conditions, but I would say a very large proportion of it is not seasonal.

By Mr. Woodsworth:

Q. You do not mean to say that 190,000 people, or anything like that number, are unemployed, during the whole twelve months?—A. Oh, no. I certainly would not say that. I say, we must judge our periods of employment

[Mr. A. R. Mosher.]

and unemployment according to our seasons, and these figures are figures brought down to date taking the 1920 census, and the number of unemployed reported by the Bureau of Statistics.

By Mr. Thorson:

Q. That was the state of unemployment on the 1st of January, 1928?—A. Correct.

By Mr. Bell (St. John-Albert):

Q. Have you a maximum and minimum?—A. No, I have not. It is difficult to get at exact figures, as I said, in the beginning, and the best we can do is to take the conditions as we can find them.

Q. How would that compare with the previous years, Mr. Mosher?—A. I am taking the Bureau of Statistics' figures for September, 1927, and adding to them the increase in industrial workers in Canada, from that time until now, and giving the same percentage or proportion of that number of workers as being out of work at the present time.

By Mr. Woodsworth:

Q. If the figures were taken in September, that would be the period of minimum of unemployment?—A. Correct.

By Mr. Neill:

Q. Do you state that the figures of the Bureau give that as the number of unemployed?—A. Yes.

Q. But we had a witness here the other day from the Department of Labour who said there was no way of getting the number of unemployed?—A. From 6,000 employers, employing fifteen or more workers, they reported that 79,000 were out of work, were unemployed.

Q. How do you get that up to 190,000?—A. Then we must add on to that the balance of the workers in Canada, and use the same ratio for figuring out how many more are unemployed. They are only reporting on 109,000 workers, whereas we find that there are in Canada, 2,184,000. So we take the same percentage.

By Mr. St. Père:

Q. Are these figures supposed to be applied to skilled labour, and unskilled labour at the same time?—A. I do not know that any differentiation is made between skilled and unskilled.

By the Chairman:

Q. It is labour as a whole?—A. Labour as a whole, for the Dominion of Canada.

By Mr. Neill:

Q. The Labour Department could not tell us that. They said there was no means of knowing how many were unemployed?—A. I suppose that is as to the precise figure, but I am building my figures on the assumption that if among 900,000 workers in 6,000 industries there are 79,000 unemployed—

By Mr. Thorson:

Q. Do not these industries send their returns in every month?—A. Yes.

Q. What is the last return of those particular industries?—A. I have not got that last return for those particular industries. The last report I have was for last September, 1927.

Mr. NEILL: Has there not been a report since then?

Mr. THORSON: Yes, they send their reports in every month.

[Mr. A. R. Mosher.]

By Mr. Heaps:

Q. September, I would think, would be the peak of employment. Would January be the peak of unemployment?—A. I think that is correct.

Mr. THORSON: Apparently, the witness has not the figures of unemployment in these various industries since September.

By Mr. St. Père:

Q. From the reading of your report, you would seem to be opposed to any labour people contributing to any pension fund?—A. Absolutely. I say that very definitely, that asking any of the workers, in view of the wages that are being paid, to contribute, would be impossible. I think you have a fairly good example of that from the witness who preceded me, that it is utterly impossible to tax these people, for that purpose, without putting on them a greater hardship than they are now suffering under. It is impossible to put that burden on industry, the source from which we must receive all our revenue.

Q. Then, are you of the opinion or against it, that the Government should contribute a share?—A. I am opposed to the idea of having the provinces mixed up in it; not because I believe that the provinces should not contribute, but because we know from experience that there are provinces which will not contribute, unless there is some method of compelling them to do so, and consequently, we would be creating a situation in one province which would be of an advantage to the workers and a dissatisfaction to the workers in another province, which would affect the mobility of labour to a large extent.

By Mr. Heaps:

Q. How could the Dominion Government legislate to compel any province to come in to such a scheme?—A. That is a matter for the consideration of this Committee, and of officials of the Government, and members of Parliament who are taking a deep interest in how this can be done. I am not in a position to tell the Government or this Committee how they might proceed to collect the revenue to carry out the idea. But, I say it is necessary, nevertheless.

By Mr. St. Père:

Q. Have you studied what is going on in other countries?—A. I have read some of the literature on that subject.

Q. And there they go in for a share?—A. Yes, in various countries, there are contributions from the workers.

By Mr. Letellier:

Q. I notice in your remarks you said it would be impossible for labour to contribute because of low salaries?—A. They have two reasons; one, because of the fact that the average wages are entirely too low. The wage does not provide a healthy and diversified budget for the workers. And, two, because it would be impossible in my opinion to make the collection. How could we possibly collect if we assume that these figures are anywhere near correct, and there are 190,000 or 200,000 workers unemployed. You certainly could not collect from them; they have nothing to contribute from, and it would certainly be a difficult task to collect from workers individually, even if they had a wage that would enable them to contribute some small mite. To suggest that the union should contribute would only include a small portion of the labourers in this country.

By Mr. Heaps:

Q. How do they do it in Great Britain?—A. I do not think they do it successfully, or adequately, in Great Britain.

[Mr. A. R. Mosher.]

By Mr. Neill:

Q. Surely you would not say that they do not do it successfully or adequately in Great Britain?—A. Yes, I say that without hesitation.

Mr. McMILLAN: You are entirely mistaken.

By Mr. Heaps:

Q. What is your objection to the State contributing out of taxation?—A. Well, I presume the State will get its resources from industry. Probably it would be coming indirectly from industries to the State, and I think it should be then a State proposition.

Mr. THORSON: You missed the point.

By Mr. Heaps:

Q. You have stated that you are only in favour of the industry contributing to the fund?—A. Yes.

Q. What is the objection to the State contributing?—A. There is no objection to the State contributing, but then the State must take it from industry. Where will the State get it from if not from industry? I say the State should not attempt to tax the individual worker to get it.

Q. You are not assuming to say how the State is going to levy taxation; but what is your objection to this fund being made in some way out of the general revenue of the country?—A. I have no objection.

Q. Then, if the Government either Provincial or Federal would contribute, you would have no objection?—A. No, I have none whatever.

By Mr. Woodsworth:

Q. While Mr. Mosher is laying down a general principle that it should come out of industry, meantime, until such principle is acknowledged, does he not think it might be wise to initiate a scheme along the English lines in which the workers mutually do make a contribution as well as the employers? I presume that in time, the wages would have to go up in order to cover that extra amount?—A. Possibly so. Of course, if we go right back to the genesis of the whole thing, I suppose labour does pay it all anyway, but I do not think there should be a direct payment out of wages. I do not object to the idea of a direct tax on labour for the purpose of providing unemployment insurance, for the reasons I have stated, that I consider the workers are not in a position to contribute to the fund, at the present rates of wages.

Q. In the case of the Workmen's Compensation Act, a somewhat similar condition prevails. Undoubtedly the industries carry the casualties of the industry, but at the present time, the workman contributes as well as the employer to the Workmen's Compensation?—A. No, not that I know of. I do not know of any scheme where the workers are contributing direct to any Workmen's Compensation.

Q. You say in all our provinces?—A. So far as I am aware. I have not gone into all of them minutely, but I say, so far as I am aware, the workers are not contributing to any scheme of that kind, under the Workmen's Compensation Acts, and I think that unemployment insurance should be dealt with in the same way, except that it should be dealt with by Federal authorities rather than Provincial.

By Mr. Heaps:

Q. Are you in favour of making this scheme of contribution to unemployment and sickness insurance compulsory on employer and employee?—A. No, I am not in favour of compelling the employee to contribute.

Q. I am not speaking of the industries now, but of a scheme of insurance; whether you are in favour of the scheme being compulsory?—A. No, I am not.

Q. What do you figure on then?—A. I am not in favour of a scheme, if you mean a scheme compelling the employees to contribute to a fund. I think it should be compulsory from the standpoint of protecting the workers.

Q. On the employers?—A. Yes.

Q. What do you think would be the benefits in general of such a scheme?—A. Of a scheme of unemployment insurance?

Q. Yes, or rather, of sickness insurance?—A. It would have in my opinion, this effect: that the payment of unemployment and sickness benefits to the workers, would cause a greater volume of employment in the first place, for the simple reason that those who are now not receiving anything—

By Mr. St. Père:

Q. Would cause what?—A. Would cause a larger degree of employment, a larger number of people to be employed, for the very simple reason that the amount being distributed to these workers for their sickness and unemployment insurance would create greater buying power, and for the greater buying power, we must put more people to work to produce and distribute, so that the volume of unemployment, in my opinion, would be reduced, and reduced considerably, if unemployment and sickness insurance was in effect.

By Mr. Heaps:

Q. With regard to the individual who happens to be so unfortunate as to be out of employment, and becomes entitled to sick or unemployment benefits, in such a scheme you think that it is a very desirable thing for him to be able to draw so much insurance when he is out of work?—A. I certainly do.

By Mr. McMillan:

Q. Without paying anything into the fund at all?—A. Without any direct contribution. I maintain that when he is giving his work, when he is producing that he is contributing indirectly. As I said before, if we get back to the genesis of the whole thing, we must—or I at least do—come to the conclusion that the workers are contributing it all anyway, because the only two things we have to create wealth are natural resources, and human labour, and no one contributes the natural resources; they are here to use, and the only other thing that is necessary to apply to the natural resources is human labour. So that human labour in the last analysis, does contribute the whole thing, and it comes indirectly, of course, if you take it out of the profits of the industries rather than out of the meagre salaries of the workers.

By Mr. Woodsworth:

Q. Supposing the system is unjust or inequitable, but taking it as in being, would it not be a considerable advantage to the worker to pay or to contribute a little bit if he had to, in view of his receiving help during his period of unemployment?—A. I would go this far, and say that a scheme, whereby the workers would contribute, would be better than no scheme at all, there is no question about that part of it. However, I am distinctly in favour of the other scheme, whereby the workers will not be asked to contribute directly.

By Mr. Neill:

Q. Which one do you think is the most likely to be obtained in the next ten years?—A. That is a rather difficult question to answer. I am not one of the hopeless kind, and I believe that our public men, and our employers of

[Mr. A. R. Mosher.]

labour, are getting to see this point much clearer, that the workers in industry must be taken care of. I feel that there are enough progressive members in the House of Commons so that, in the very near future, an equitable scheme will be put through, regardless of what it costs. If I am permitted to express my opinion, I think that we very often spend too much time in thinking of the cost, rather than the equity of a thing. It seems to me that we should devote more time to finding out whether a thing is right or not, and then go for it, regardless of the cost.

By Mr. Letellier:

Q. Are you in position to say if there are many employees that do not believe in an insurance system?—A. I think that there are a large number of workers who do believe in insurance of various kinds. I think there are a large number of workers who would voluntarily contribute, even from their meagre income. They do contribute now to the insurance companies; they pay into various schemes for their protection; they pay into our various labour organizations to get protection in various ways. A very large number of the workers are willing, and do do that sort of thing.

By Mr. Heaps:

Q. Does your organization, Mr. Mosher, give any benefits of any kind to its members?—A. The All Canadian Congress of Labour has not evolved any scheme of benefits. You must appreciate the fact that the Congress is only a year old.

Q. I am not speaking of the All Canadian Congress, but rather of its constituent parts?—A. Some of our organizations, while having no stated provision for giving definite sums to its members out of work, or in case of distress or sickness, give financial help to some of their members. They help financially the members who are out of work, and who are sick, but it is a voluntary contribution from the organization to the worker, and is not something which he could claim.

Q. How many members are there out of that 50,000 referred to earlier, that that would effect?—A. I could not give you even a rough estimate of that.

By Mr. St. Père:

Q. You realize that if the employees were called upon to contribute a few cents a week, or a month, to a sick benefit fund of any kind, there would be a lot of workers that already belong to mutual societies having sick benefit funds?—A. Yes.

Q. Most of the mutual societies have sick benefit funds?—A. There are employers and employees who enter into pension schemes of their own, and they are all helpful, and a great deal better than no scheme whatever.

By Mr. Heaps:

Q. That applied in Great Britain also, but that objection did not prevent it from being adopted there. It supplemented, to a very large extent, the work of the societies or unions that already gave a certain amount of sick benefit, or medical benefit?—A. That is quite true. There is no doubt that there is a very grave need for the character of protection, or relief, that is being considered by this Committee. I want to again emphasize the point, that while the Congress I represent favour a federal measure, where the Federal Government will either tax the industries, or in some other way provide the funds necessary to take care of the insurance, any scheme will be better than no scheme at all. Whether it calls for a contribution from the workers, or otherwise, everyone would be glad to see that step made. It would be a step in the right direction, and ultimately we could reach a better scheme.

[Mr. A. R. Mosher.]

By Mr. Woodsworth:

Q. Do any of the unions, represented in your organization, make provision for unemployment or sickness?—A. Yes, some of our organizations have contracts with insurance companies to provide sickness and accident insurance, at what we call "wholesale cost." They have not the cost of going out and selling the insurance, and the organization makes the collection, and we are able to get a rate more favourable than the individual could, and in that way we are able to help our membership secure that class of insurance.

Q. That is entirely voluntary?—A. That is entirely voluntary, so far as the organizations connected with the Congress are concerned.

Q. It is group insurance?—A. Group insurance.

By Mr. Heaps:

Q. How many avail themselves of this insurance?—A. In the one organization of which I have particular knowledge, and of which I happen to be the President—the Canadian Brotherhood of Railway Employees—there is a very small percentage of our members who avail themselves of that insurance. It is only some seven or eight hundred out of fourteen thousand or fifteen thousand workers.

By Mr. St. Père:

Q. And a lot of them may be members of mutual societies?—A. I think the whole difficulty is that the great majority of our members cannot afford to buy it, even at the reduced rates. Everyone of them would like to have it.

Q. You are referring to railway employees?—A. Yes.

Q. They cannot afford it?—A. No. Everyone of them would like to have it.

Q. They could not afford to subscribe, say, twenty-five cents a week?—A. Twenty-five cents a week would buy practically nothing.

Q. That is what they have in Germany, and they seem to be satisfied.—A. Of course, I cannot intelligently discuss German conditions with you. If you are going to discuss conditions in Canada, I can discuss some of the phases intelligently.

By Mr. Woodsworth:

Q. Have you any pension arrangements in the C.B.R.E.?—A. There is no arrangement between the railway and our organization. Our membership in the Canadian National Railways is part and parcel of the pension schemes on that railway. There are two schemes in effect on the Canadian National Railway. One of these is a contributory scheme, contributed to by the employees as well as by the railway. On other portions of the line, pending the amalgamation of the two schemes, and the working out of some more equitable plan, there is a pension that is provided for entirely by the railway, and the employees contribute nothing.

Q. In the case where the pension is provided by the railway, and there is industrial trouble within the period, is it true that a worker could be dismissed and have no claim under that scheme?—A. Not only that, but it often happens that when they have any trouble which causes the workers to cease work—to go, as we commonly say, on strike—it means that when they do go back to work they will have lost all their previous years' service in the records that are kept, and it will probably debar them from getting any benefit from the pension scheme.

Q. Would that apply to the contributory scheme?—A. That is also true of the contributory scheme.

Q. Would it debar them from reinstatement?—A. It would not debar them from being reinstated, but their time on the railroad would only count, for pension purposes, from the time they were reinstated. Unless they were able

[Mr. A. R. Mosher.]

to get a sufficient number of years in before they reached the age of sixty-five, they would be out of luck, so far as getting their pension was concerned.

Q. Would they be reimbursed for the amount paid?—A. There is some provision with regard to reimbursement, but I am not just familiar with the details at the moment. I have that information in my office, and I could supply it. In some cases, there is a provision where a portion of the contribution of the employee is returned to him.

Q. Is it correct that a considerable number of railway employees are being laid off at the age of sixty-five?—A. Yes, there is a large number of employees being laid off at the age of sixty-five, without any pension or any other consideration.

By Mr. St. Père:

Q. Do they not draw a pension from your union?—A. We have no pension scheme in any of the organizations I am associated with.

By Mr. Heaps:

Q. You heard the previous witness deal with the question of wages. Could you give us some idea of the wages received by the men you represent?—A. It would be a rather difficult task to give you any estimate that would be accurate. I would say that the average wage of the membership affiliated with the All Canadian Congress of Labour is probably \$1,200 per year, but that is only a very rough estimate.

Q. That is for skilled workers?—A. That is taking the average of the whole fifty thousand workers. I would say that \$1,200 per year would be about the average wage, and perhaps that might be a little high.

Q. Those are railway employees, mostly?—A. Oh, no, only about fifteen thousand of that forty or fifty thousand are railway employees.

By Mr. Woodsworth:

Q. What other groups are represented?—A. There are mine workers, lumber workers, electrical workers, common labourers, seafaring men, longshoremens, flour mill employees, and various other trades.

By Mr. Heaps:

Q. Most of those men would be working on an hourly wage?—A. A large number of the railway workers work on a monthly rate.

Q. Could you give us the hourly rates of the men you represent?—A. Do you mean the average hourly rate, or do you mean some of the rates?

Q. You just mentioned a number of industries, and I wanted to know the rate of pay.—A. I could not give you that, outside of the railway industry, with which I am more particularly interested.

By Mr. McMillan:

Q. What is your position with the railway?—A. I am the President of the Canadian Brotherhood of Railway Employees.

Q. How many employees are there in the Canadian Brotherhood of Railway Employees?—A. Roughly, 15,000.

Q. And what would be the average wage received by them?—A. I would say, roughly, \$1,200 per year.

By Mr. Woodsworth:

Q. That is for railway workers?—A. I could give you that more definitely, because we prepared a wage brief not so very long ago, which sets that out very clearly.

By Mr. McMillan:

Q. You could supply that?—A. Yes.

Q. In all the different classes?—A. Not outside of the railway workers.

[Mr. A. R. Mosher.]

Q. But you could for the railway workers?—A. Yes, I can supply that, so far as the railway workers are concerned.

Mr. WOODSWORTH: I would suggest that we have Mr. Mosher for a few minutes at some other session to give us this information.

By the Chairman:

Q. You could do that?—A. Yes, sir, I will try to be at your service any time at all.

By Mr. Bell (St. John-Albert):

Q. I would like you to give us a little more definite information with regard to unemployment. You have given us figures for a year or so back, September, 1927, and I would like you to bring those figure up to date?—A. If there are reports from the Department of Labour, or the Bureau of Statistics, later than September, 1927, we can bring them up to date, but I am not sure whether there are or not.

By Mr. McMillan:

Q. The Labour Department issues a monthly report.—A. It does issue a monthly report, but the Labour Department does not deal with this particular phase of it every month.

By the Chairman:

Q. You said there were about fourteen or fifteen thousand railway employees in your organization, and only about seven or eight hundred took advantage of the group insurance?—A. That is group insurance for sickness and accident.

Q. Does that mean that all the other men have absolutely no insurance at all, except individual insurance?—A. Unless they have bought it individually.

Q. You have no idea of how many have individual insurance?—A. No.

By Mr. Letellier:

Q. What scheme would you recommend, Mr. Mosher, in order to realize from the employers the higher salaries in favour of the unemployees?—A. From my experience, there is only one satisfactory scheme, and that is for the workers to organize more thoroughly. In my opinion labour organization is the only hope of higher salaries.

Q. The same as the railroad unions?—A. Yes, and even there there could be better organization.

By the Chairman:

Q. In some industries that is not exactly true, is it? Are not the employees in some industries being paid splendidly?—A. When you say "splendidly" I am afraid to say No. I cannot agree with you.

Q. Have you looked into the printing and publishing business?—A. Yes. We have a printing and publishing plant in connection with our Brotherhood, and we know it, and we know the wages very well. I do not think any of them are paid splendidly. When you realize that according to the decent living standard budget it requires approximately \$2,200 a year for a family of five to live on properly, we cannot consider that anyone in the printing industry is being paid splendidly.

Q. Could you give us any of the inside facts regarding the salaries which are paid?—A. Yes. I can give you the union rates which are paid.

The CHAIRMAN: I would not mind having some of these placed on the record.

Witness retired.

The Committee adjourned until Thursday, April 19, 1928, at 11 a.m.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

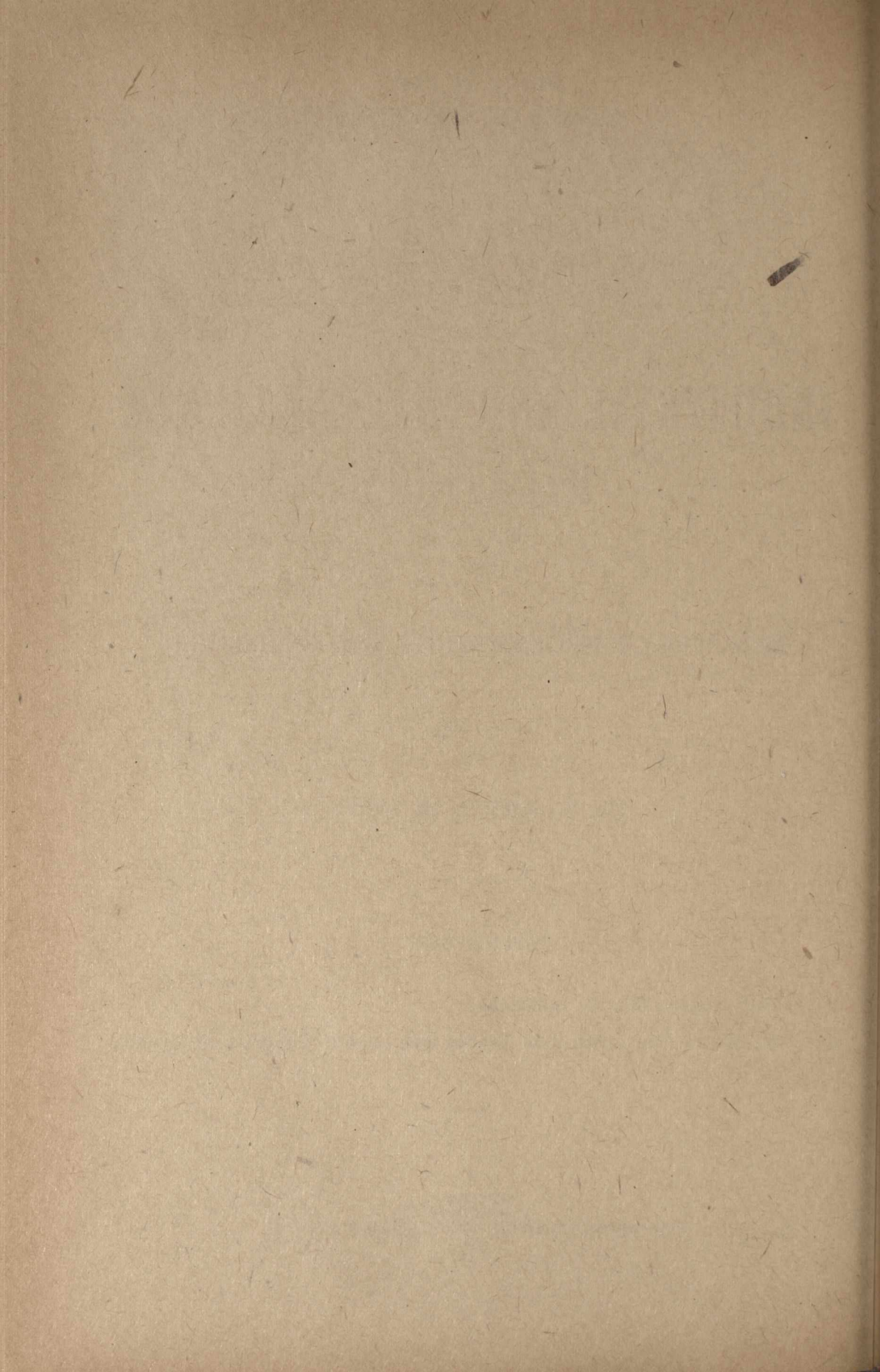
No. 9—APRIL 19, 1928

WITNESSES

Mrs. Edith Rogers, M.L.A., Manitoba.

Mr. Tom Moore, President, The Trades and Labour Congress of Canada.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928



MINUTES OF PROCEEDINGS

THURSDAY, April 19th, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day at 11.00 a.m.

Mr. McIntosh (The Chairman), presiding.

Present: Miss Macphail, and Messieurs Bell, Hall, Jenkins, Letellier, McMillan, Neill, St-Père, and Woodsworth—11.

Minutes of April 11th read and approved.

Correspondence from Canadian Manufacturers Association of Canada, also resolution of thanks received from the Civil Service Federation of Canada, read by the Chairman.

Mrs. Edith Rogers, M.L.A., Manitoba, called, sworn, and examined.
Witness retired.

Mr. Tom Moore, President of the Trades and Labour Congress of Canada, called, sworn, and examined.
Witness retired.

On motion of Mr. Neill,—

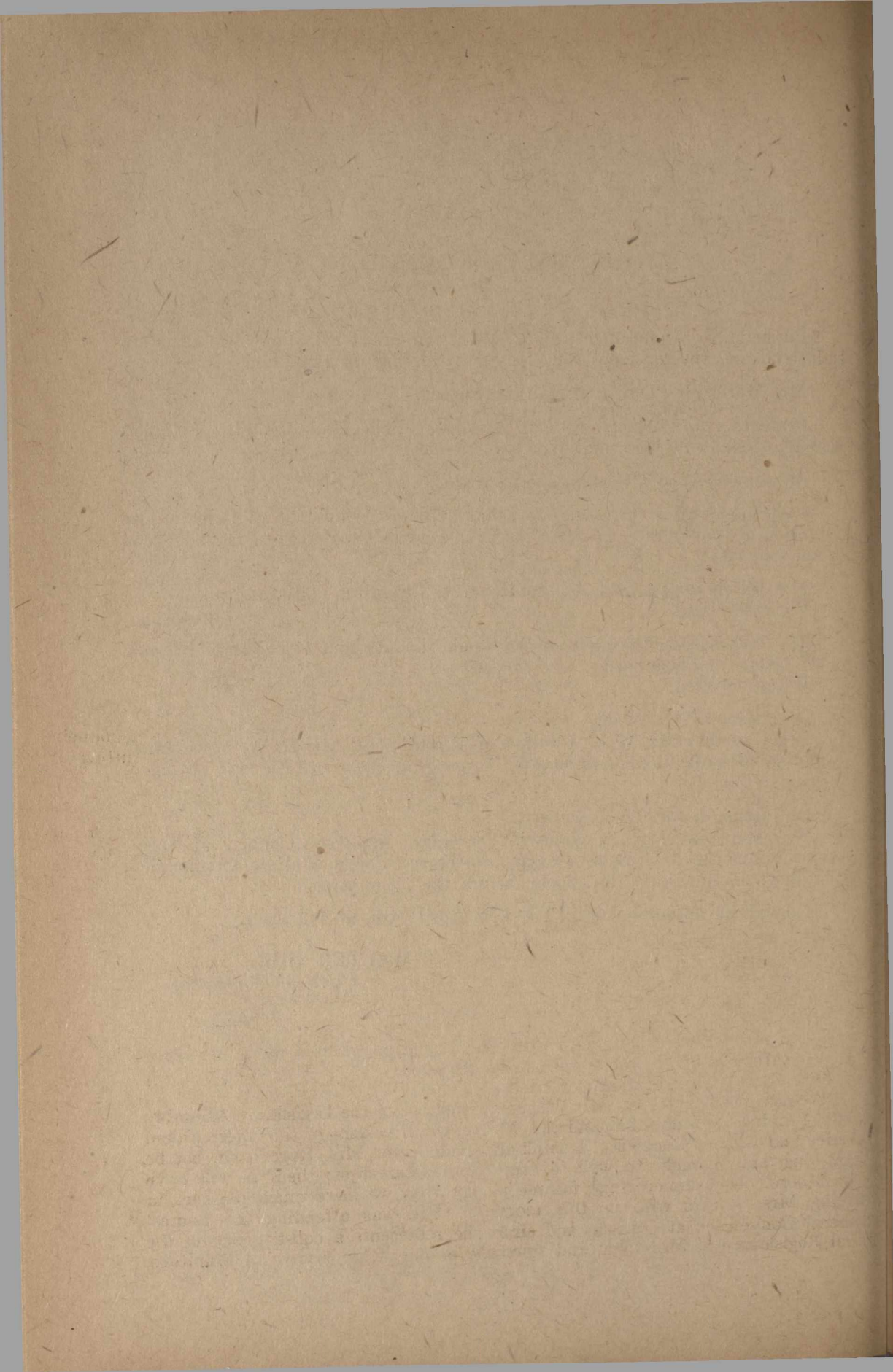
Resolved that Mr. W. C. Coulter, of Toronto, and Mr. H. W. Macdonnell, Canadian Manufacturers Association, Toronto, be heard at the next sitting of the Committee.

On motion of Mr. Woodsworth,—

Resolved that Mr. F. Haward, Secretary, Montreal Council of Social Agencies, and Miss Getrude Childs, Secretary, Social Welfare Commission, Winnipeg, be summoned to appear before the Committee.

Committee adjourned until Tuesday, April 24th, at 11.00 a.m.

WALTER HILL,
Clerk of Committee.



MINUTES OF EVIDENCE

COMMITTEE ROOM 375,

HOUSE OF COMMONS,

THURSDAY April 19, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock A.M., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: The members of the Committee will remember that at our last meeting we decided to have some representatives of the Canadian Manufacturers' Association attend the Committee here, and give evidence. Our Clerk was instructed to write to the Manufacturers' Association, and find out whom we could get. The following letter has been received dated Toronto, April 17th, 1928, and addressed to our Clerk.

I beg to acknowledge your letter of April 14th, which has been considered by the Industrial Relations Committee of this Association. I am instructed to advise you that the Association accepts the kind invitation of the Committee, and will be represented by the following gentlemen at the Committee's session on Tuesday, April 24th, if that will be satisfactory: Mr. W. C. Coulter of the Coulter Copper and Brass Company; and Mr. H. W. Macdonnell of the Canadian Manufacturers' Association.

That is signed by the Secretary of the Association.

I have also a communication, addressed to myself from the Civil Service Federation of Canada, dated Ottawa, 16th April, 1928.

I have much pleasure in communicating to you a unanimous resolution passed at a recent meeting of the Executive of the Civil Service Federation of Canada.

Resolved that this Executive should express to the Chairman and through him to the members of the Select Standing Committee on Industrial and International Relations, sincere appreciation of their courteous and sympathetic reception of the representatives of the Federation and affiliated associations when considering Bill No. 4, an Act to amend the Civil Service Act.

(Councils)

With best wishes,

Yours sincerely,

T. R. L. MACINNES,
President.

What do you wish to do with this communication which I have just read?

Mr. McMILLAN: I move that it be recorded.

The CHAIRMAN: Motion is carried.

We have with us to-day Mrs. Rogers, a member of the Legislative Assembly of the Province of Manitoba; and Mr. Moore, the President of the International Trades and Labour Congress. I think the evidence of Mrs. Rogers will not be very long, and it might be well to hear Mrs. Rogers first; then we will have Mr. Moore. It is unnecessary for me to say that we have much pleasure in having Mrs. Rogers with us this morning. She was attending the Ladies' Liberal Convention at Ottawa, and since she represents a constituency in the local Legislature of Manitoba, and since she is one of the women of Manitoba

who has taken a great interest in legislation, social and otherwise, I think we are very fortunate in having her here this morning. I know I am expressing the pleasure of the Committee in having Mrs. Rogers with us this morning. We will ask you to take the oath, Mrs. Rogers, and then we will probably ask you a few questions; they will not be very serious, I do not think.

Mrs. ROGERS: Mr. Chairman, I have no power to speak here, but I suppose it is quite all right for me to give my own views?

The CHAIRMAN: Oh, surely. Give us your own individual ideas.

Mrs. EDITH ROGERS called and sworn.

By the Chairman:

Q. Now, Mrs. Rogers, you might just unfold to the Committee the views of that Committee of which you are a member, and which was appointed by the Manitoba Legislative Assembly to investigate the question of unemployment in the Province of Manitoba. Perhaps you might say something about the report you brought in, and anything else pertaining to the question of unemployment in Manitoba, as we are investigating here the question of insurance against unemployment, invalidity, and sickness?—A. Mr. Chairman, and gentlemen; Seasonal unemployment has been very great ever since the war. Last year it was less than this year. This year the conditions were very bad, from the early fall, on account of the crops being a failure in Manitoba, and in other parts of the country. The City of Winnipeg, of course, did what it could to help, and the unemployment Committee started their work in December. The Legislature met in December, which was a month earlier than usual, and then the Government participated, until about the end of January. But, as you know, and as they have done in former years, they gave out just sufficient groceries, the bare necessities of life, and for that the men had to work in the wood-yard. They tried to give work in the breaking of stones, and similar work, and they paid the men for that; but of course, as Mr. Heaps knows so well, it is terrible to think of our people having to come down to the dole system, year in and year out. As the years go on, it is seen that the men who are relieved are the same class, and almost the same men who are coming in for assistance. Naturally, their health is injured and their resistance to sickness is depleted, because they do not get the proper food during the winter months when they are unemployed. A regular system is adhered to which gives them a certain amount of food, which does not include very much meat, and in a country like ours, they need meat; and the amount of food they get is just enough to keep body and soul together. I have said this very often in Winnipeg, but they do not agree with me there. However, we know, and I am absolutely telling the truth when I say they do not get anything but what is just sufficient to keep body and soul together. The system is worked out through the City Council, and we have two representatives, Mr. McNamara and myself, in the Government. We have been the representatives there for a number of years. A case was brought to our attention in December, of twenty-five Norwegians who had come out in the early Spring, and who could not get any employment, and were in the Immigration offices, and they wanted to be deported. They came up to the Parliament buildings, and Mr. Ivens brought this matter up in the House, and we saw them: I went over to see them, and I found out that their story was absolutely correct. It seems that in the community, in Norway where they lived, inspectors arrived who painted a very luridly wonderful picture of Canada, and these people, assisted by their community, had come out here, presumably to farm. They had positions, jobs, in Norway, but, unable to speak our language as they were, they left their work and came out here, one with a family of seven, and another with a family of six. They went on the land, but they could not make a success of it. They were not placed near people who

[Mrs. Edith Rogers, M.L.A.]

could help them, and so, some of the single men, and the married families came back to the city, and they had to be sent back to Norway because they could not be placed at all.

Then there is the subject of unemployed single men. We get such a cry from the single men. For two years it has been the policy of the city not to help the single men. They say that single men can get work, if they will go to the bush; or if they will go to the farms on a wage of \$10 or \$15 a month, where they will get their board anyway and their washing done. But there were a great many more single men than there was work for, even on the farms, and, these men were not altogether floaters. They were single men, many of them returned soldiers, who were in Winnipeg, and it did not matter what their age was, young or old, if they went to the Social Service Department, they could not get any assistance at all. Naturally, these men were picked up on the streets as vagrants. A particular case was brought up on the floor of the House, and a Committee appointed to investigate the conditions of the single men. We found that during the past few months, there were 1,700 single men committed to the jails, just picked up because they could not get employment. They are given a bed for one or two nights, and then on the third night if found on the streets, they are taken up as vagrants. In the course of its investigations, the Committee went to the Chief of Police, and to the Provincial jail and interviewed seven or eight men in one day. The men that we saw were splendid types of young manhood, with only one exception. The first morning, we went to the jail we found a young man from the Province who had run away from home; he had just been picked up and was going to be sent back to his home, but I am afraid he should really have been cared for in an institution, rather than sent home.

Among the young men we saw, there were seven—two of them from Quebec—who had always come to the same farm in the Summer; one young fellow supported his mother, and thinking that he would get work in Winnipeg, he had sent her every bit of money that he had earned. I remember him perfectly, because he was a very finely built young fellow, but here he was, with the stigma of jail now upon him because he could not get a job. And that was the case with the others. We went down to the jails and we saw the same thing. We had several conferences with the Chief of Police, and he said that on the whole these men are men who would like to get employment, but cannot. Our Committee brought in a small report, that was tabled, suggesting that something should be done for the single men. Why should the stigma of a jail sentence be imposed upon them? Any one knows how much harder it is for them to get employment if they have to say they have been in jail. Therefore, we thought something should be done for them to save them from that stigma. We have met with the members of the Winnipeg Unemployment Committee to ask that during the interim a committee be appointed to look into the condition of the single men and see what can be done. The City Hall authorities say that it is not their work, and that it might cost something; or that the Provincial Government is trying to put something over them; but as a matter of fact, it is something for the citizens to do, and at least to suggest a remedy. The problem is, to look after the young men of the country, because they are pretty nearly all young men, and young men who come from all parts of the country. These are young men who come from all parts of the country; some of them we ask to come up. They are advertised for, to come to the West for the harvesting season. We cannot get enough men in Winnipeg or in Manitoba for the harvest, and naturally we have to send to the East, to the far East, to get men to come up there for the harvest time. But when such things happen as happened last year, when the harvest was poor, naturally these men are not paid for all of their time, and if they get back to Winnipeg they stay there to look for a position.

[Mrs. Edith Rogers, M.L.A.]

They naturally come to the city, because there is no more work for them in the country, and there is no work for our young people.

We will leave harvesting alone for the moment, because we have to have these men. The whole fault we feel lies in the immigration, with these young men coming out from the Old Country, probably unassisted, but with lurid details of what Canada is. We know we want immigration of a certain type, but we do not want these people out here who do not understand what Canada is, what the hardships of a winter in Canada mean. They say that everything is opening up, that our mining districts are opening up. There is a great deal of employment for labour in the mining districts, and if they will take our young men and absorb them there it will be a splendid thing. But look at the immigration that is coming in already; every day train loads of people, many of whom will be on our hands next winter. It is a matter of the deepest concern, to know what is going to be done with them. I do not know what your policy is in regard to insurance; I have not heard that, but there is one thing I know, and that is that it is a serious condition, when you have 1,700 single men—there may be others, but these are statistics we obtained from the Chief of Police, and I am perfectly accurate in making this statement, that we know of 1,700 men who went to gaol because they could not get any work.

I have not got statistics with me of the number of married men who were unemployed, but there is no money with which to send these people to jobs except through the Employment Services of Canada, and they cannot always get positions for men. We try to get men into positions in private organizations. There ought to be some policy whereby we can get the Steamship Companies and the two big Railroads together, to see if we cannot get some assistance for these people who come out on their own, owing to the advertising that is done on the other side, to help in some way these immigrants that are lodged in the Immigration Hall in the City of Winnipeg. Many of them have not got proper clothing; those that come out under the cheaper fares are assisted back, but what is the use of bringing immigrants out here if we have to send them back again? It is a waste of money. We have been at a loss as to how to help these people, and we are at a loss to know how we are to get on at all. Of course with the greater immigration this year we may have the same problems before us next winter, although we are told that everybody will have work this summer. But you must remember that year in and year out, as they are getting less work, or work just for the summer months, their health is going. Many of these men are returned soldiers, who are suffering after many years, who came back fairly well, but not having good food and happily situated they are losing their health, and it comes back on the State after all. Many of them are on pension. If we had a system by which we could find them work, that would be the thing. The men who do not want work are in the minority. I speak from a knowledge of this work, because I have been in it so long. It is all very well to say that you cannot get men to work on the farms. If men refuse to go on farms, as a general rule it is because they are not strong enough to do the work of farming, and the farmers do not want that kind of men. There is no use saying the farmers do want them; they want men who know how to do farm work.

Building is going on, to a certain extent, in Winnipeg. There was a very fair report made last year by Professor Murchy, Fred Dixon (an outstanding man, as you know in Labour circles), Mr. McNamara, of the Bureau of Labour, and Mr. Carter. It is a very interesting report; I am sorry I have not got one here, but 5,000 copies were to be printed.

[Mrs. Edith Rogers, M.L.A.]

By Mr. Heaps:

Q. That is the report of the committee appointed to look into the question of unemployment?—A. They were appointed to look into the question of unemployment and to report on it.

By the Chairman:

Q. Have they got that report printed yet?—A. Not yet, or I would have had a copy of it here. One thing they brought out was that Winnipeg was better suited for all-round work than any other city in Canada. One would wonder that in that extreme climate they could go on with building at all. They said that they could do better with all-round work in Winnipeg than anywhere else.

We have had the Hon. Mr. Heenan, Minister of Labour, at some of our meetings. They say that in Winnipeg it will cost more to build in winter than in summer. What does it matter, if it does cost a little more, if we can keep these men employed, and if they are contented and happy? I must say that the unemployed have suffered very silently this year. We have had no fuss whatever from them; they have taken what they could get, very silently and very peacefully, and I wonder how they do it, because we are certainly not improving, and something has to be done in order to find a solution for the conditions we find in Manitoba.

If there are any questions anyone wishes to ask, I shall be glad to answer them if I can.

By Mr. Heaps:

Q. I would like to ask with reference to the Commission that was appointed, consisting of Mr. Dixon, Mr. Carter of Carter-Fellowes & Company, with Professor Murchy as Chairman; they reported that they would recommend to the Dominion Government a form of unemployment insurance?—A. Yes.

Q. That report of the Commission I believe was unanimous; are you aware of that fact?—A. Yes, that was embodied in the report. I think we ought to be able to get a copy of that report very soon. I tried to get it before I left Winnipeg, but it was not ready.

The CHAIRMAN: The members of the Committee ought to have a copy of that report.

Mr. HEAPS: It has not been printed yet; there has been a fairly good synopsis of it in the Press, but not in full. It might be advisable, Mr. Chairman, to have the Chairman of that Committee, Professor Murchy, here; he might give us some very valuable information.

The CHAIRMAN: Do you want Professor Murchy's name present before the sub-committee, to consider whether we should have him here or not?

Mr. HEAPS: Yes, I think so.

The CHAIRMAN: Very well.

By the Chairman:

Q. These 1,700 men you spoke of, Mrs. Rogers, who could not get a job, were they mostly men born outside of Manitoba, who came from abroad?—A. Not from abroad. They were not only from the Province of Manitoba but from all over Canada, men who came out to the harvest. There were a great many from Winnipeg.

Mr. HEAPS: They were nearly all Britishers.

By the Chairman:

Q. Do you think, Mrs. Rogers, that they were nearly all anxious to work, but could not get it?—A. They were anxious for work.

Q. But they were not suited for work on the farm?—A. There was not enough work on the farms.

By Mr. Hall:

Q. Had they not gone out there to assist in harvesting?—A. Yes. They only ask for people for the harvest time; the men work for \$3.50 or \$4 a day during the harvest season, but as soon as the harvest is over the farmers are through with these people.

Q. But they could get work on the farms?—A. The farmers do not want to pay big wages. It is \$3.50 to \$4 a day, and as soon as the threshing is through, they are done with them. After that they get them for \$15 a month.

Q. But they could get \$15 a month with board and washing, instead of going to the city to find work?—A. I am talking about single men. There were not enough positions for those men. There was not enough bush work for those men.

By the Chairman:

Q. They do not feed the number of cattle in the winter time out there that we have in Ontario?—A. It is a totally different position. We have men that come up from Ontario, who cannot get back.

By Mr. Hall:

Q. But these men did get \$4 to \$5 a day in the harvest; could they not get back to Ontario? I think they could, surely, if they worked for three or four months at that rate?—A. A man goes out to the harvest fields, from the East; when he gets there, it rains, and the farmer will not pay him; he has to go to the nearest place and wait until the farmer needs him. He pays his own board, at a boarding house, until he is taken back. Some farmers in the House said they did not do that, when this was spoken about, but they do not think of the hundreds and hundreds of cases where farmers do it. You can get statistics from the employment offices in Canada, only they do not give them to the public. Very often the weather is bad, it rains three or four days, and they have to go to the nearest boarding house to live, and pay their own board and lodgings. I know many, many young men who work for farmers who do not make one cent after they have paid their help. One man told me that if he had not become a member of the House—he ran for member for his district, and he told me himself that his crop had turned out bad—if he had not been successful he did not know how he would have lived through the winter. He said, "Mrs. Rogers, that is the condition of a great many farmers," and we have to assist them. He said he had one man, and he was able to pay him off, that in the intervening times he had a threshing outfit and was able to go around from one place to another and get paid for his threshing. I am not surprised at being asked that question, if he gets \$4 a day why can he not pay his way back to Ontario? When he gets there from the East, it rains, the farmer will not pay him, and he goes to a boarding house and waits until he is wanted.

By Mr. Heaps:

Q. They get \$3.50 to \$4 a day when they work?—A. Yes.

Q. Very often they will have but two or three days a week?—A. Only two or three days a week.

By the Chairman:

Q. They are hired by the day, rather than by the month?—A. Now they are hired by the day.

By Mr. Heaps:

Q. Mrs. Rogers, you have not mentioned the unemployment that exists among the skilled men; there is always a certain amount of employment among people who work in iron works, railway shops, and in the building industry; have you considered the question of unemployment insurance for that type of worker; have you any opinion upon that, or have you given it any thought?

[Mrs. Edith Rogers, M.L.A.]

—A. No, I have not really given it any thought. I had to leave the meeting downstairs, and that question was just being brought up, about getting a list of the unemployed through the Trades Unions. They could to a certain extent get a report of how many unemployed there are through the Unions, and perhaps that is the best way of getting at it. I have never considered it, but you know there are a great many skilled mechanics laid off during the winter. There is no doubt about that.

Q. You think if these men who are laid off from industry were able to draw from some fund certain weekly benefits in the form of unemployment insurance, it would be beneficial to those men when they are out of work?—A. I certainly do.

By the Chairman:

Q. You think there is a close relationship between the bad harvest condition last season, on account of frost and rust, and the unemployment situation in Manitoba last year?—A. I think so, because as a rule they have steady employment for weeks and weeks, and last year, although the crop was good—

By Mr. Hall:

Q. What about Saskatchewan; did the same conditions exist there?—A. I do not know very much about Saskatchewan.

Mr. McMILLAN: I was in Saskatchewan last fall, and the same conditions existed. The harvest was not good.

WITNESS: I do not know about Saskatchewan, but I know that we had several people who thought that Manitoba was in a better condition, who came down from there to Manitoba. Conditions were very bad out West.

I have not spoken about the women's work at all. There is nothing for the women at all, except the usual scrub work, house work, and things like that.

There is a type of man that has been very hard to get placed, that is the office man and the girls who want to work there. We might say—perhaps I had better not.

By the Chairman:

Q. First impressions are sometimes the most lasting, Mrs. Rogers?—A. I know what causes that too. It is very sad to see that type of man, with a large family, not employed. Those men do not come to the Social Welfare; they would starve, some of them, before they would, and I do not blame them.

By Mr. McMillan:

Q. Have you a solution, Mrs. Rogers?—A. Work.

Q. Where are you going to get it?—A. I think that we have discussed this for many years past. Mr. Moore will remember when they said that governments, both provincial and federal, should not do all their building in the summer time, but should keep a great deal of it for the winter time. I think that all industries should try and do as much as they can to spread out their work, so that we would not have that vacuum in the winter. That is the only thing that will help out—work—and that is what men and women want.

Q. You realize, I suppose, that the situation among the farming community in Manitoba in general is that they have not got any overplus of money, that they are pretty deeply involved, in Manitoba, in general?—A. They have had a hard year, in spots, but in other parts of the province they have had very good crops.

Q. But as a general rule do you consider that the farmers in Manitoba are fairly well off?—A. Yes. I think the farmers in Manitoba are doing exceedingly well, but in certain parts of Manitoba their crops were an utter failure.

Q. We realize that?—A. In certain parts, but in other parts their crops were wonderful, as you will know from the crop returns from Manitoba.

[Mrs. Edith Rogers, M.L.A.]

Miss MACPHAIL: May I say that I had the privilege of being in every constituency in Manitoba just after the harvest of last year, and I heard of very prosperous spots in Manitoba, but I never arrived at them. When you got to the places where they were supposed to be, they were not there. I think the trouble in Manitoba goes very much deeper than the crop last year. They cannot grow wheat like they used to; they are trying to cultivate wheat which will not rust. Besides that, they are still suffering from the slump after the war. I think the farmers in Manitoba are in a worse condition than the farmers of any other part of Canada except the Maritime Provinces. I have talked with people who were wealthy twenty years ago, who are not wealthy to-day.

The CHAIRMAN: Have they pursued, during the last twenty years, the cultivation of farms for wheat?

Miss MACPHAIL: Principally wheat, but other things as well. It goes deeper than that. I do not think we can expect that a good crop next year will lift them right out.

Mr. MCMILLAN: There is no question but that Miss Macphail's information is pretty accurate. I was in the West last year, and even in the Portage la Prairie section, apart from my own information I am acquainted with gentlemen who have quite large interest up there, and they tell me in many sections the situation amongst the farmers is tragic.

WITNESS: It was tragic last year, there is no doubt about that. But in other parts last year they had wonderful crops, for instance, in and around Boissevain.

The CHAIRMAN: I know that in the northern part of Saskatchewan, in which I am located, and which is a comparatively new area, they have given up the idea even there of keeping to wheat raising and are going into mixed farming. We have in my district some eight or nine creameries, with cheques coming in from month to month. Fishing also helps to break up unemployment, and lumbering in the North. We know the farmers have not broadened out into other things than wheat-growing, and they are in a very bad condition.

WITNESS: Yes. It is not a very good thing to spread around, that the people in those provinces are so fearfully hard up this year, because it is very bad for the western provinces. We know that in some districts they did exceedingly well, but in other parts of the province they had very bad crops. I only hope, Sir, that you will be able to do something to help the situation.

The CHAIRMAN: If there are no other questions, I think we are through with Mrs. Rogers. We thank her very much for her attendance here this morning.

Witness retired.

TOM MOORE called and sworn.

By the Chairman:

Q. Mr. Moore, what is your name in full?—A. Tom Moore.

Q. What is your position in the world of labour?—A. I am President of the Trades and Labour Congress of Canada.

Q. You have heard part of the discussion this morning; if you will continue, and open up the discussion as you think best, we will then ask you some questions.—A. In order to try to condense some of my thoughts upon this very heated question, I have tried to draft up a memorandum which I thought at least might be the basis of the discussion. I think it is far from being all-inclusive, or perhaps as clear as it might have been, had it been put at greater length. The following is the memorandum I have prepared:—

[Mrs. Edith Rogers, M.L.A.]

MEMORANDUM on Insurance against unemployment, sickness and invalidity submitted to the Select Standing Committee of the House of Commons on Industrial and International Relations.

OTTAWA, Ont., April 19th, 1928.

The question of protecting wage earners against losses caused by unemployment, sickness and invalidity has been given considerable attention from time to time at the annual conventions of the Trades and Labour Congress of Canada and it is the views of the organized workers, represented in that body, that I have endeavoured to briefly summarize in this memorandum.

Whilst full information as to the composition of the membership of the Trades and Labour Congress of Canada is published annually by the Federal Department of Labour in "Labour Organizations in Canada," the following short statement may be helpful to the Committee to enable them to understand the widespread source from which the views herein presented originate.

The Trades and Labour Congress of Canada is a Dominion-wide organization including workers of both sexes engaged in practically all of the industrial occupations (skilled and unskilled—manual and clerical) carried on in Canada. These are divided into some sixty national and international unions having approximately 1,500 local units and about 150,000 members located in the industrial centres of all the provinces of the Dominion.

The Trades and Labour Congress of Canada holds the view that all social legislation of the nature now being dealt with should be of a Federal character as otherwise many workers are denied the benefits of the same because of the difficulty of establishing the requisite provincial residence qualifications etc., owing to the transient nature of their employment.

Notwithstanding these views it has been found necessary in some cases, because of the provisions of the British North America Act, to make representations to Provincial Governments with the result that such remedial measures as workmen's compensation, providing payments not only for accidents but in some cases industrial diseases, etc., have been obtained. In addition, through Provincial-Federal co-operation, old age pensions have been made possible and brought into effect in several provinces and likewise an Employment Service established which has done much towards reducing the volume of unemployment by providing freer and greater facilities of securing employment.

It is the studied opinion of the Trades and Labour Congress that any scheme of unemployment insurance, to be effective and of real value to the wage earners, must be a Federal one. This view has been presented to the Government on a number of occasions having been incorporated in the Platform of Principles of the Trades and Labour Congress of Canada in 1921. This contention has been given support by the Government. During the 1921 session Parliament had placed before it Privy Council Order No. 2722, dealing with the report from the Minister of Justice in reference to a number of draft conventions and recommendations adopted by the International Labour Conference (League of Nations) at its first annual meeting held at Washington, D.C., October-November, 1919. Amongst these were two of particular application to the present inquiry concerning which the Order in Council says:—

[Mr. Tom Moore.]

(a) Draft Convention concerning unemployment:—

The Minister is further of opinion, seeing that the principal object of this convention is the establishment of a national system of employment agencies under the control of a central authority that the Dominion is the proper authority to give effect to the proposals of the convention. The project does not appear to be attended by any question of legislative competence, because legislative sanction would not seem to be essential to the attainment of the objects in view. There are objects which, it is conceived, the Government may competently carry out as an executive measure, provided the necessary parliamentary appropriation be available. It is observed in this connection, that the provisions of the Employment Offices Co-ordination Act, Chapter 21, Statutes of Canada, 1918, may be largely utilized for the purpose of carrying out the proposals of the convention except with respect to that referring to unemployment insurance, which at the present time has no application to Canada.

(b) Recommendation dealing with Unemployment Insurance:—
The Minister observes that the experience of other countries has demonstrated that a system of unemployment insurance, in order to be effective and successful, must be merely ancillary or complementary to a system of labour exchanges, the whole being adapted to the principal function of finding work for unemployed insured workmen. In this view, unemployment insurance has a pronounced federal aspect, and on the whole, the Minister thinks the establishment of a system of unemployment insurance is competent to the Dominion in the exercise of its residuary legislative power with relation to the peace, order and good government of Canada

The report of the Royal Commission on Industrial Relations (1919) (Par. 34-35-36) puts unemployment and the fear of unemployment first as the chief cause of industrial unrest and makes the following definite findings and recommendation:—

34. But supplying the unemployed man with suitable work for the present will not entirely solve the problem. Before the labourer can be made contented the haunting fear of unemployment must be removed from his mind.

35. This is something which affects all wage earners, but more especially the casual labourer. He can never be sure just when his employment will terminate and he will be left without the means of subsistence.

36. Unemployment may arise from other causes than the loss of his job. He may be incapacitated by sickness, invalidity, or old age. Very few labourers are able, out of their earnings, to make provision for these contingencies. We recommend to your Government the question of making some provision by a system of State Social Insurance for those who through no fault of their own are unable to work, whether the inability arises from lack of opportunity, sickness, invalidity or old age. Such insurance would remove the spectre of fear which now haunts the wage earner and make him a more contented and better citizen.

Though much could undoubtedly be done to reduce the volume of unemployment (and the Trades and Labour Congress has made many suggestions to proper authorities from time to time and participated in [Mr. Tom Moore.]

numerous conferences with that object in view) the concensus of opinion, not only in Canada but also in other industrial countries, seems to be that no actual solution of the problem has been found and that unemployment is likely to continue to exist. Many factors enter into this, the most recent one to be given general recognition by statisticians, Government authorities and others, being that machinery is displacing human labour at a much faster pace than the consuming power of the masses is increasing.

Under present day conditions every industrial wage worker is constantly exposed to the hazard of unemployment. The duration of a job may not depend upon his efficiency, workmanship or loyalty but is often more dependent upon the personnel, production, marketing and financial policies of business management.

As the responsibility for unemployment thus rests largely with industry the Trades and Labour Congress of Canada holds the opinion that the cost of unemployment insurance should be placed primarily on industry though it is recognized that Government has also some responsibility to participate.

Unemployment insurance is the most practical way to deal with the problem of unemployment for the following specific reasons:—

1. It will tend to reduce the volume of unemployment by (a) Stabilizing purchasing power of the workers and thus continuing to provide employment to thousands who would otherwise be added to the ranks of the unemployed; (b) Inducing greater effort towards co-ordination of seasonal activities; (c) Leading to the employment of labour already in Canada instead of the seeking of immigrant supplies of same; (d) Better budgeting of work so as to reduce the peak period of employment and subsequent periods of depression.
2. It would give protection to the worker and his family and prevent the demoralization which often occurs when, through inability to obtain employment, workers are compelled to depend upon charity.
3. It will reveal actual facts concerning the amount and causes of unemployment, thus providing valuable information essential to the prevention of unemployment.

In Canada at the present time there are no reliable statistics on these matters, the information furnished by the Bureau of Statistics and the Employment Bureaus only give indication of the trend of employment whilst that furnished by trade unions is, in most cases, only an estimate.

4. It will make higher living standards possible and assist in decreasing industrial unrest.
5. It will reduce waste.

During times of extreme distress Federal and Provincial Governments have expended large sums of money to provide temporary relief. Municipalities have also tried to cope with the situation. In nearly all these cases modern methods of efficiency have been abandoned. Likewise, the waste which often occurs by over-lapping etc., in attempting to provide relief, through private agencies, would be eliminated through a properly organized system of State Unemployment Insurance.

Unemployment Insurance is no longer an experiment, and Canada can benefit by the experience of other countries in deciding as to the methods of administration, collection of funds, etc., which would be most suitable to this country.

[Mr. Tom Moore.]

The subject of the present inquiry covers a very wide field and it is recognized that this memorandum has only dealt very briefly with a few of what are considered the most outstanding features of this very important matter. I wish to assure you, however, that Organized Labour, as represented by the Trades and Labour Congress of Canada, is willing to give the fullest possible co-operation to the end that legislation will be enacted that will provide relief from the misery and suffering caused by the losses incurred through unemployment, sickness and invalidity.

Now, if there are any questions, I recognize that this needs considerable elaboration in order to make it understandable in some cases, and I will be very pleased to try and answer any questions. I have an additional copy or two if any Member would like one. For the purpose of asking questions, they may be useful.

The CHAIRMAN: Any questions, now to continue the discussion?

By Mr. McMillan:

Q. I notice in your paper you say the insurance will be primarily charged on industry. Is it your opinion that the workers, the employees, should also contribute an amount?—A. The general policy of the Organized Workers has been to support the view that when industry contributes, the workers are contributing as well as the employers, industry being composed of both their efforts. Therefore, if the worker makes a separate contribution, he is contributing twice to the employers' once. That is the general view. If the employer contributed by means of income tax, that would not be a contribution through the industry, it would be passed on to the consumer. Then it would be just as separate as taking it out of the wage of the workman. However, on the question of unemployment insurance, there has been some divided expression of opinion as to whether the workers might participate in the administration, for the reason that they feel that if they did participate,—and this may only be the minority view as yet—that if they did participate in the contribution that would give them a much greater right to participate in the management of the funds. It would remove the stigma of charity, and place it as a purely insurance jointly managed fund rather than a charity fund in any respect; and from that angle, there may be some ground for further consideration. I think I can say that whilst not in a position to connect any one or make any general declaration on that point, certainly I am not in a position to make one contrary to the generally expressed views up to the present time, that there is a sufficient body of opinion holding the views of the kind I have expressed to say that if the Committee in its wisdom felt that the workers should make some contribution, it would be sympathetically considered and examined in all its angles by all the workers to see the value there would be to that. I am not in a position to say that it would be refused or rejected, or that they would fail to deal with the subject because of the possibility of the workers not wanting to contribute.

By Mr. Heaps:

Q. What objection is there, if any, to the State's contribution?—A. None, we say we recognize that Government has a responsibility.

Q. And you say that industry should bear a part?—A. That primarily it should rest there, but we also recognize that the Government has a responsibility. We recognize that because by the indiscriminate admission of immigrants, the Government accentuates the unemployment situation, and it would be wrong to say that the employed should bear a responsibility that is caused by the action of the Government.

Q. Suppose there is no immigration to Canada, would you consider that the Government should still have a responsibility?—A. Yes, there is a further

[Mr. Tom Moore.]

responsibility besides immigration. There is the Alien Labour Act. And, there is the responsibility of the Government—I do not want to get into a political statement, but it is essential to mention it—on the tariff question. There is a view held of tariffs or non-tariffs in regard to employment, which is purely a Government function to decide. I am not expressing an opinion here one way or the other. It is not my place to do it—but because Government has functions which interlock with the problems of employment and unemployment you cannot say the whole responsibility should be on the employers. It is plain that the Government has some responsibility on these matters I have mentioned: Immigration, alien labour laws, the tariff, the development of raw materials; the granting of concessions for development, perhaps to hold them out of use, and as they have been granted many times, and held out of use, preventing labour being applied. So that in numerous ways, Government has its responsibility, as I submit, Mr. Heaps.

Q. Speaking for your organization, are you in favour of a compulsory unemployment insurance scheme, and with regard to sickness?—A. It should be compulsory and it could cover the whole question. In regard to sickness, I think it is hardly quite as clear. Lots of times from various causes, sickness would undoubtedly come within the unemployment sphere. You have sickness interlocking with the Workmen's Compensation, that is sickness caused by industrial diseases. That is already covered in some instances, a few, and we are trying to extend it by Provincial legislation. In Alberta they have some form of assistance, or State Aid for the outlying districts on medical cases. We would not want to affect provincial rights, or prevent responsibility, may I say, under the British North America Act, to deal with certain forms of sickness. They have control of hospitals. The question of financing hospitals so that their aid can be given to the workers might rest with the Provincial jurisdiction; but the loss of time, of employment, between the ability to get a job and the ability to be physically able to take one should come within the general Federal sphere.

Q. When I speak of sickness insurance, I have in mind the method adopted by the Government of Great Britain, which has been in effect now, I suppose, for seventeen years. There, they have sickness and unemployment insurance all in one. During the last year or so, they have considerably widened the scope of the Act. It seems to work fairly well, and I think one of the most popular features of the insurance scheme in Great Britain, is the sickness insurance?—A. With all due respect, you will recognize that there are no subsidiary powers of legislative authority in Great Britain like we have in Canada.

Q. That is quite right, of course, Mr. Moore?—A. The Imperial or National Government has wide powers, even down to municipal affairs, and therefore, they can include it in an inclusive scheme much better than we can, as we have grown up with our legislative system, and have to take cognizance of those variations. But, certainly, the workers could be protected equally from loss of time by sickness, as from unemployment.

Q. The loss of time in sickness is not the most important thing, although it is important. It is the ability to get treatment of a character that they were formerly not able to get, but now can get from the sickness insurance?—A. I agree with you, and it is on that line that we are pressing first for workmen's compensation, which is a form of sickness such as a man being incapacitated by something happening to him, because we realize that the periods of sickness were so much extended by the inability to employ medical aid. We follow that up with industrial disease; that is, disease caught in its incipient stage may be treated. For example, there is the recent amendment to the Ontario Workmen's Compensation Act in regard to tuberculosis. They have three stages of compensation; first, for the incipient stage where the man is compensated to the

extent that he can get out of the industry and become cured. We have treated all these things on the basis that given the proper aid, it would shorten the period, and in sickness, there is no question to-day that there are a large number of days lost, a man becoming seriously sick, sometimes irrecoverably so, because of his inability to get medical aid in the primary stages, having no money. I pointed out that Alberta has already taken steps to give assistance to those who are unable to get it, in the primary stages. They have a section giving free hospitalization, and so forth.

By Mr. Hall:

Q. Do you contend that the unemployed do not get it because they have not money to pay for it?—A. Yes, thousands of people die in this country because they have not enough money to go to a doctor.

Q. Do you say that a man must have money before he can go to a doctor?—A. No, but if a man is unemployed, and without money, and if he goes to a doctor, he is either going knowing that he cannot pay, and thus classing himself as a rogue and a cheat, or else incurring a burden that it is probable he will not be able to get rid of by payment, and the consequence is that rather than face these things, they keep away from a doctor.

By Mr. Heaps:

Q. You might answer Dr. Hall by giving some idea of the aid given in Great Britain?—A. Thousands of people did without medical attention in Great Britain, because they were too poor to pay for it.

By Mr. Hall:

Q. Were they refused treatment?

Mr. HEAPS: No, but if a man has not got the money, he generally has to do without medicine, or medical attention.

The CHAIRMAN: Are you certain of that? Will the examination of the average medical man's books disclose that fact?

Mr. HEAPS: No, I am not speaking of that.

The CHAIRMAN: Taking the average medical man of any standing in Canada, where I have been living, if there is any man who has lost money by not collecting his accounts, he is that man.

Mr. HEAPS: I think you are missing the point, Mr. Chairman.

WITNESS: Might I give a concrete illustration? I could give very many of them, but this one is personal; it goes back some twenty years or more. Perhaps the particulars need not be put on the record?

The CHAIRMAN: No, the reporter will not put these particulars on the record.

WITNESS: Now, coming to a second illustration which occurred last week, a man was in my office in regard to a Workmen's Compensation case. He had had his thumb crushed. This case can go on the record if you like. The man went to the doctor, under the instructions of the Workmen's Compensation Board. The doctor gave him a prescription to take to the drug store. He said to the doctor, "I have no money to pay for this, I have been unemployed, and I have no money to pay for this medicine." "Well," the doctor said, "I cannot charge it to the Workmen's Compensation Board." I think he might have done that. However, the workman went to the drug store, and the druggist said he could not let him have the medicine unless he paid for it. Having no money, he had to leave the prescription there as the druggist would not charge it. He could have gone to the City Hall, I suppose, and got free treatment, but he did not feel like doing that. There is an independence in many individuals, sir. You are right that medical men will give treatment, when they are appealed to, and they have given treatment, but what we are dealing with, from my standpoint is this: that we do not want to demoralize men because of unem-

Mr. Tom Moore.]

ployment; and there is nothing demoralizes a man quicker than having to take even a minimum of charity from some one else. The first time he takes it, it begins to sap his fibre. He says, "I have got it once, and not being compelled to pay it back, why not take it again." It is easier the second time. But, it is the independence of character which has made the stamina in this country and Great Britain what it is.

The CHAIRMAN: There are plenty of men who come to a medical man for attention, and treatment, who have not the money to pay at once, but yet they have paid. Although they may not have money to-day, they may have it to-morrow, or in six months, and they get treatment, and pay for it later.

WITNESS: May I give you the case of an immigrant, a very fine type of man? He came to this country, and after two years an illness occurred to him that caused him to be unable to work. He lost part of the use of his limbs. He was all right when he was in the hospital or apparently so, and was discharged because they needed the beds. He had no money and nowhere to go. He could not get charity in the city he was in, could not get any one to take his case and the only remedy was deportation.

By Mr. Heaps:

Q. Do you know anything about the British Health Insurance Act in regard to panels of doctors?—A. Not a great deal. I would not care to give evidence on it. I have a volume of world-wide information on the subject, but I could not say I know sufficient to give evidence on it.

By Mr. Woodsworth:

Q. Let us take the objections that are frequently brought forward. First, that unemployment insurance has a tendency to make men shiftless; they will be out of work, and perhaps will be willing to remain out of work knowing that they will be looked after.—A. I do not know that we admit that fully, but we may admit it partly in this way; we admit that there is nothing that causes a man to be unemployable quicker than to be unemployed. We want to meet that. We recognize that continuous periods of unemployment, especially if there is no insurance, tends to demoralization, and that is the thing I emphasized that there should be insurance taking it away from charity, because the payment of insurance delays the time when demoralization sets in, because a man thinks the insurance is something to which he is entitled. If he is unemployed, and has to take charity at the first stage, then demoralization sets in so that he soon becomes unemployable. There are undoubtedly countries where unemployment has existed for a long time, resulting in an increase in the number of unemployable people. It is hoped that insurance will eliminate that. Unemployment does induce them to join that particular class, but immediately that you are able to absorb all your labour then you can use pressure on those who are unemployable to force them back into employment, and in a little time, they recover their self-respect, and become well employable.

Q. Were you not a member of the Commission that investigated unemployment in 1919?—A. I was on that Commission, yes.

Q. Did that Commission report in favour of unemployment insurance?—A. Yes, it did.

Q. Can you give the reasons the Commission had for thinking that unemployment was the cause of unrest?—A. As well as I can recall—and perhaps I would have to read the whole report to make it clearly clear, for it was a very lengthy one—the Commission held sittings over the whole Dominion, as near as I can recall and unrest was one of the matters to be investigated. We found that unemployment, and the fear of unemployment were the chief causes of industrial unrest, and that it was a menace to the State. It is plain that men

[Mr. Tom Moore.]

who are unemployed and without insurance may easily become a menace to the security of the State, and it was largely on that ground that we came to the conclusion that we did on unemployment insurance. That to stabilize industry, the incentive to restlessness should be taken away from them, because men who are too proud to accept charity might not be too proud to take things at times. I am speaking now some ten years after, so I hope you will forgive me if I am not exactly correct, but I think it was governed largely on that basis, that we felt there should be unemployment insurance for that reason. That was one of the reasons, although others entered into it such as the stabilization of industry, for the prevention of the volume of unemployment. I might mention that that report was later taken to the National Industrial Conference, and discussed, and from there the recommendation was made that the joint Provincial and Federal Conference, held in March, 1920, should consider it and take recommendations, which they did not fully do.

By Mr. Letellier:

Q. Mr. Moore, do you believe that immigration may have a tendency to induce unemployment?—A. Undoubtedly it accentuates unemployment and is responsible for a lot of it to-day. We had Mrs. Rogers speaking of the farm situation. I would just like to show a little of how that works out. Men go to a farm. This is not as immigrants. They make good. There is no housing accommodation for them; it does not matter what the farmer would like to do, but they simply have to go back to the city for the winter season. During the winter they are living on a little surplus if they have it, or, they are accepting charity while trying to get some kind of a job in the city, and intending to go back to the same farm in the spring. But, before they get a chance to go back and notwithstanding our Provincial and Federal employment service, the railway agent—it has been said, but I have not proof of it, that he gets a commission—sees the farmer when he comes in to sell produce, and asks him to sign an appointment for another immigrant, and the result is that this man is left stranded in the city as a common labourer again, to bid for a job, or to go back to his trade, if he has one, and the result is he is competing for a job while another immigrant on an assisted passage is coming to assured employment on the farm, and the railway agent gets a dollar for his services. I am told that. I do not know it for sure, and so perhaps I should not assert it; but anyway, they get these nominative passages, and their employment for the season. Take the case of the Hollinger or one of the mines in the Porcupine district, about three years ago, or more. They brought out a number of Cornish miners. I was in London at the time, and I remember issuing a protest. The condition was that there were men registered in the employment service offices of Toronto, more than the number required. But, the mining authorities said, they did not want those in Canada because they would be liable to leave and go back to the places they came from when trade opened up. They wanted people who had no other home in Canada, in order that they would stay where they were put. So they were bringing in immigrants by consent of the Government, whilst there were still unemployed men waiting for jobs, who were qualified miners. They had to issue notices warning miners to keep away from Hollinger because there were men sufficient for the jobs.

By Mr. McMillan:

Q. From your experience, are there many firms who give the employees a hand in the management?—A. There are various experiments where some of them think they give them a hand. The Canadian National are developing quite a good system, and they have done much to stabilize employment, by budgeting their work annually through joint committees with the men. Instead of hiring a great number of men just a few months prior to the harvest to get

[Mr. Tom Moore.]

their equipment ready, and then lay them off afterwards, they now budget the number of cars, and allocate them to the different shops, and that has to some extent stabilized employment on the railways, although it has reduced the amount of employment. I do not know of any industry that has gone to the same extent in bringing men into conference regularly for the budgeting of work, although we believe much might be done. And, we believe that if the employers are to contribute the major amount of unemployment insurance, they would do it, because it would be an advantage to them. Just as when compensation was put on, they started to get safety appliances because it reduced the cost of accidents. And if unemployment was charged on industry, it would have the same effect, we are sure. They would try to reduce the rush period in order to give employment in the dull period. On that point may I just mention, with all due respect, an advertisement that appeared the other day with regard to Simpson's in Toronto. They say they are going to put up a four million dollar addition to their store and open it by Christmas. I suppose the Committee knows what that means? It means that every year, the building industry is always busy about the same time as the harvest season, because the small firms want to get their roofs on, and get their work ready so that the employer and one or two assistants can go on through the winter. That is in the height of the season they will be complaining of a labour shortage, and that will be used for immigration advertising to get immigrants to come in. They will get a few weeks' work on the Toronto building, and for the rest of the time be unemployed, instead of spreading that work over a year, which we think ought to be done. If the building industry had to bear the cost of unemployment, the work would be spread. Now, they will bid as to who can get the building done in the shortest time, so that there is a rush of work in the building industry at times, and then a long period of unemployment.

By Mr. Letellier:

Q. Have you knowledge of cases where work has been offered to unemployed men and they have refused it?—A. Not personally, but I have seen records, in the employment service records, where men have been offered work on farms on no wage whatsoever, merely board and washing, and men have refused to take it, because they had families in the city, and they could not pay rent out of that.

By Mr. Heaps:

Q. In other words, would you say that the conditions offered were the cause of the refusal?—A. Yes, there is often farm work refused by industrial workers, because if you offer a married man even \$20 a month in winter, he may be a bricklayer, or a plasterer, and he is hoping that to-morrow he may get a job at his own trade; but to-morrow may be three or six months in the future. If he goes on the farm at \$10 a month, who will keep his family in the interim? And if he has an accident on a farm, there is no compensation, and who will keep him then? Therefore, he refuses the job. So there are plenty of farm jobs refused by industrial workers, because of their responsibilities and commitments in the city, that they cannot afford to take it.

Q. Have you been to a number of the European cities in connection with labour conditions?—A. Yes.

Q. Has unemployment been discussed there and insurance against it?—A. Yes, in its broadest sense.

Q. Have any of those countries gone back on the principle of unemployment insurance?—A. No, they are extending always.

Q. Countries that have established some form of unemployment and sickness insurance after an experience of some years, you say, have broadened their provisions?—A. Yes, and on the consent of the employer, and agreement with

[Mr. Tom Moore.]

them usually. I do not know of any case where the legislation has been abrogated after it had been put into effect.

By the Chairman:

Q. In most of the industrial cities of the continent of Europe, the employees pay something, do they not?—A. It has been a very good policy from the inception for the workers to do that. There is a reason for it. Most of these Acts were the outcome of voluntary effort on the part of the men themselves. I think the first unemployment benefits came from a small group of workers, from a trades' union, who agreed to pool a little of their resources so they could help each other in Winter. It grew up so that almost every trade union in Great Britain, and many of the other European unions followed the British one, provided their own unemployment insurance. Therefore, they were already contributing, and they merely got the Government to assist them in the first unemployment insurance. So there has been a different atmosphere there, as compared with ours in a newer country where we have not got that program of self-contributing, and we considered here that we were either contributing as workers in the industry, or as consumers of the products of industry. So, that is what makes the difference between ours and the European systems, where they are practically all contributing.

Q. In your estimation, if we secured legislation on the Statute books in Canada, of insurance against unemployment and sickness, your idea is that there is some doubt as to whether the employees should be asked to contribute in Canada?—A. Yes.

Q. That would be a question of negotiating?—A. My declaration on that is that the present policy of the workers has always been in social insurance that they should not contribute; but there has developed a school of thought on the other line, because of the right of participation in certain classes of this insurance, and therefore, there is reasonable ground to say the whole question will be discussed with an open mind.

By Mr. Heaps:

Q. Do you believe that the question of the right to participate is an important factor?—A. A very important factor, indeed. Especially when it is kept as insurance, and not as charity.

By the Chairman:

Q. On the whole, then, it would look as if they should be asked to contribute?—A. I will leave that for the consideration and recommendation of the Committee, Mr. Chairman.

By Mr. Heaps:

Q. One other question, Mr. Moore. This Committee has not yet discussed the question of unemployment. We have just touched on it in the early part, with reference to a scheme of this nature, and its relation to Provincial rights. We have had to overcome that difficulty in reference to the Old Age Pension scheme, which affects the provinces. My own view is that the Dominion and the provinces will have to join in something on the same lines as they did in the Old Age Pension scheme, in order to overcome any difficulty that may exist. Have you given any thought to that?—A. Yes, in regard to unemployment insurance, we are firmly convinced that the Federal Government must be the responsible factor. We cannot even go as far as we did on Old Age Pensions in this matter in making it contingent on the consent of the provinces; because the needs of Canada demand that men be transient. We are a new country. The trend of the employment service of Canada is to find employment for unemployed men, and that I agree with Mrs. Rogers, is the best remedy for

[Mr. Tom Moore.]

unemployment if it can be found. They must, therefore, transfer men from province to province. They have a reduced rate on the railways to permit them to do that. There are new parts of Canada where, perhaps, no government exists; for instance up in the Flin Flon, and other mining districts, where there is as yet no development, or perhaps very little. Now, if you have a water-tight compartment of provincial qualification as you have in the Old Age Pensions' scheme, a five-years' qualification, labour could not be transferred.

Q. I do not know that we see your view point there. Will you explain?
—A. The province sets up some qualifications as to when it shall be responsible. In the Old Age Pensions' scheme, it says, "there shall be not less than five years' residence." In the Mothers' Allowance, it says the husband must have died within the province, and the widow be resident there for at least two years before she is entitled to an allowance. In all these measures you have some provincial qualification, usually based on residence. Then, in the case of temporary relief, you have cities like Toronto, refusing to give jobs on relief work to men, unless they have been tax-payers for so many months or years previously. You have all these qualifications set up. Now, in unemployment, we say that if Canada is to be developed, we must have the utmost flexibility of labour, so that labour will move to where the employment is, and not remain unemployed in one province, with workmen needed in another province. So that, if you do not make it a nation-wide law, without provincial rights interfering, you will add to your volume of unemployment, and the amount of money to be expended on it rather than relieving the men in the primary case of unemployment, and enabling them to get unemployment.

Q. I was not getting at any regulations that might be set up by the Dominion Government, as to who was entitled to benefit. I am speaking of the division of power, particularly as between the Dominion and the provinces?—A. The division of power?

Q. Yes?—A. The Minister of Justice says the Federal Government has the power. I am not going to contest his opinion.

Q. I am in favour, as I said before, of a Dominion scheme, with the provinces administering, unless something better can be found. Are you of the same opinion as that?—A. I would say, "no," and "yes," which is rather contradictory. The Dominion should be responsible primarily. If the provinces can be induced to participate voluntarily with the Dominion, all right; but the administration must be in the hands of the Dominion primarily. Take the Employment Service Council, the administration is really in the hands of the Federal Co-ordinated Council here, or rather the Minister of Labour, who insists on certain conditions being in effect in the different provinces, but it is true the provinces make the appointments, and do the routine administration. Now, unemployment insurance could be administered through those officers. We have built that Federal scheme of administration, with the Federal Government, as primary authority in the employment service, and as the Order in Council—I think it is 2722—says, it is interlocking, with the purpose of finding jobs for the men, and this is to insure those for whom jobs cannot be found, and so it should be interlocking in its administration, the payment of funds with the Federal-Provincial Employment Service Council, and the officers that are now set up.

Q. Are you then in favour of a Dominion-Federal and Provincial scheme, carrying out some form of an unemployment insurance?—A. It would be that in practice, but I am not in favour of saying it should be contingent on provincial acceptance.

By Mr. Hall:

Q. Could they both contribute?—A. They could. But, I would not make it contingent on that, on being applicable in every province.

[Mr. Tom Moore.]

By Mr. Heaps:

Q. Supposing a province would not accept the services of the Employment Service Council.—A. When they did not, the Dominion went in and set up councils of its own. They did that in New Brunswick, did they not, and in Nova Scotia, without any assistance from the province. They had a little co-operation with one or two of the municipalities.

Q. And you say the same thing in regard to the other provinces?—A. That is what I was pressing, that it should be first Federal in its authority; that the provinces might co-operate, and if they did, so much the better, but if they won't, it should be operative without them.

By the Chairman:

Q. You say the legislation should be Federal in its scope?—A. Yes, Federal in its powers.

Q. How many members around these Councils?—A. There are not councils established. There should be, but there are not. I am speaking of the actual administration officers. The Act does provide for provincial councils, but the provinces did not carry that out. We are of opinion that they should, and we are of opinion that those councils for unemployment, if they came into effect, would be an essential part of the advisory machinery to give local application and perhaps to assist in ironing out the difficulties that might arise in administration.

By Mr. Letellier:

Q. Mr. Moore, do you think this scheme could be realized in small industries in the different centres, and that under the provincial authority it would reduce the quantity of unemployment?—A. Yes, I think it would reduce it very materially, but again, we have to go outside the material to some extent. That is the psychological effect of unemployment. Immediately a factory starts to lay off men, even if it be only one or two men, or even in building jobs, the other men who are working begin to wonder if it is to be their turn to-morrow. Therefore, they restrict their own purchasing power. They say, "I was going to get a phonograph" or "to get the couch re-covered, but I had better wait and see how things turn out." The consequence is that you multiply depression by the fear of unemployment, and you immediately see the merchant telling the commercial traveller that he does not want to buy any goods this time because he sees a slackening up in the buying. Now, if there was unemployment insurance, those people would not have that fear, and would continue their normal purchasing power, thus preventing an increase of the unemployment. Therefore, unemployment insurance has the effect of creating a reserve in good times in order that it may be expended during bad times. If there is little unemployment, you would build the fund up, and then when a greater number come on it, they would go into the labour market and by their buying, create labour, reducing the amount of unemployment, and thus stabilizing employment by stabilizing purchasing power to a great degree, by removing the fear of those who, because of that fear, restrict their purchasing power.

The CHAIRMAN: Any further questions? If not, we thank you, Mr. Moore, for your attendance, and the assistance you have given.

WITNESS: I thank you, Mr. Chairman, and I think we ought to realize the magnitude and importance of dealing with all angles of the question. I hope I have left some thoughts that may be worth-while.

The CHAIRMAN: The Committee will now adjourn until next Tuesday, when we will have the witnesses from the Canadian Manufacturers' Association.

Witness retired.

The Committee adjourned until Tuesday, April 24, 1928.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

INDUSTRIAL AND INTERNATIONAL RELATIONS

MINUTES OF PROCEEDINGS AND EVIDENCE

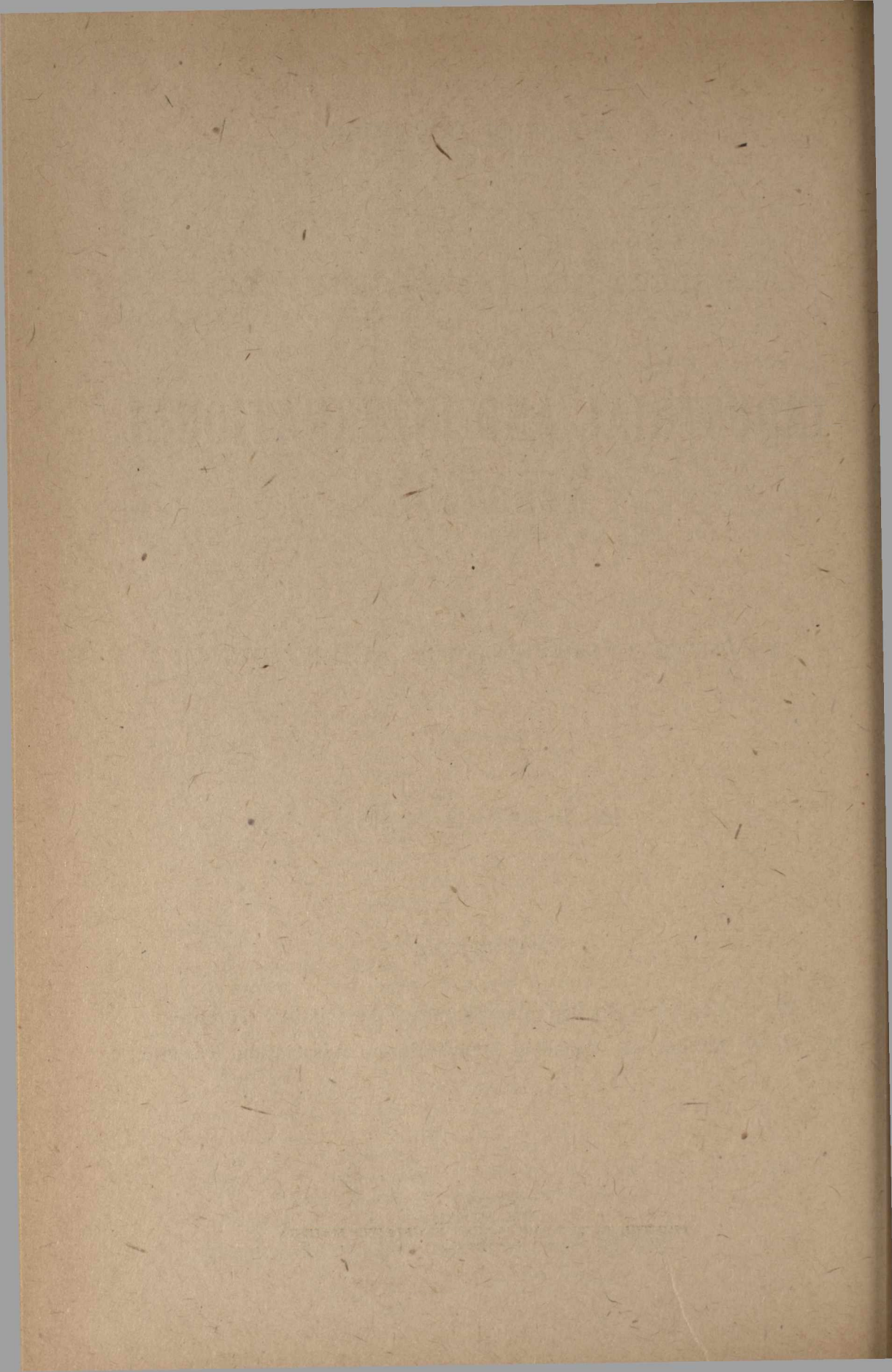
No. 10—APRIL 24, 1928

WITNESSES

Mr. W. C. Coulter, Canadian Manufacturers Association, Toronto.

Mr. H. W. Macdonnell, Canadian Manufacturers Association, Toronto.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928



MINUTES OF PROCEEDINGS

TUESDAY, April 24, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations met this day at 11 a.m., Mr. McIntosh (the Chairman) presiding.

Present: Miss Macphail, and Messieurs Bell, Hall, Howard, Jenkins, McMillan, Neill, Johnston (Cape Breton), St. Père and Woodsworth—11.

Minutes of April 19th read and approved.

Mr. W. C. Coulter, of The Coulter Copper and Brass Company, Ltd., Toronto, called, sworn and examined.

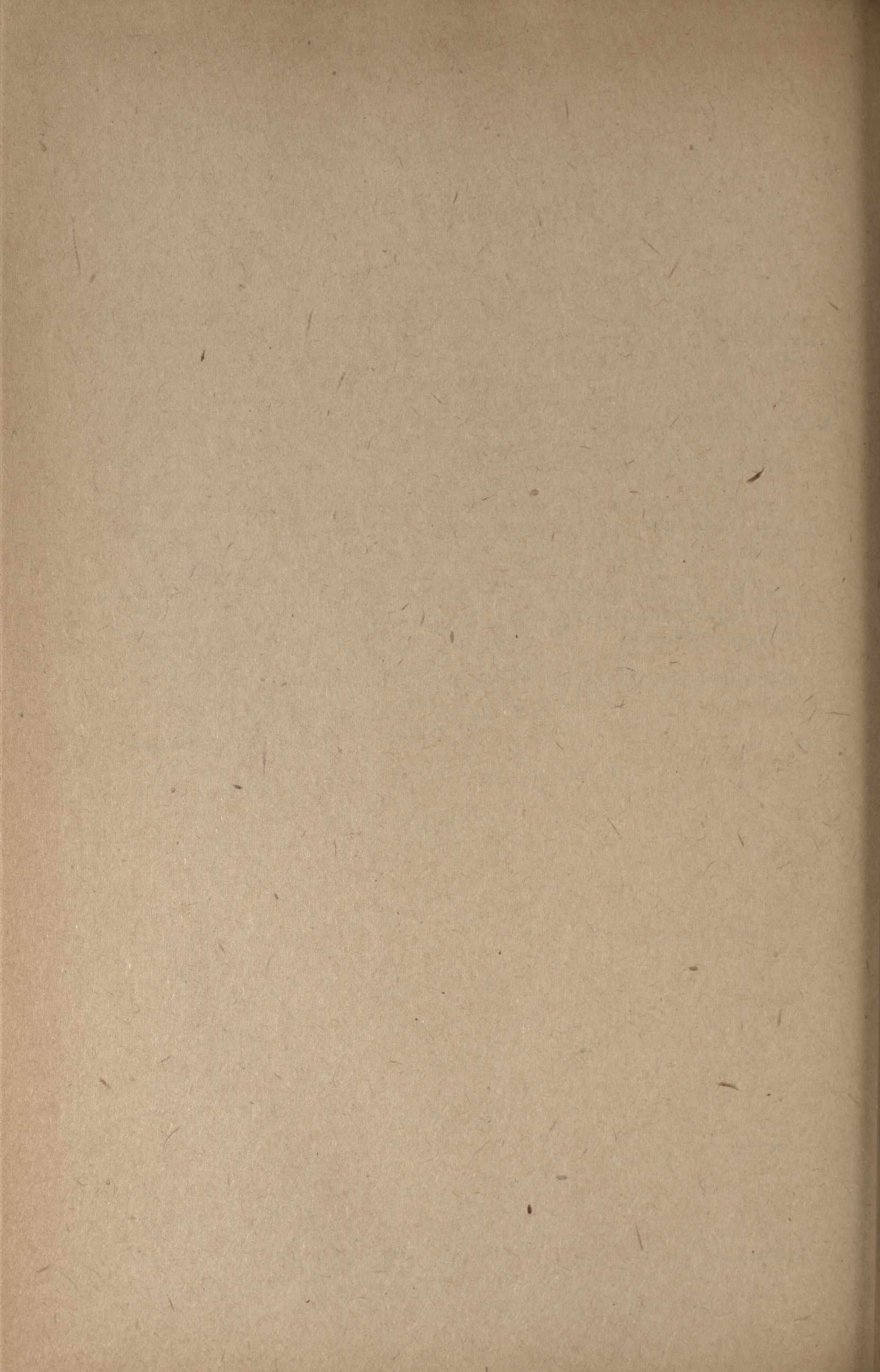
Witness discharged.

Mr. H. W. Macdonnell, of The Canadian Manufacturers' Association, Toronto, called, sworn and examined.

Witness discharged.

Committee adjourned until Friday, April 27th, at 11 a.m.

WALTER HILL,
Clerk of Committee.



MINUTES OF EVIDENCE

COMMITTEE ROOM 375,

HOUSE OF COMMONS,

TUESDAY, April 24, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock A.M., the Chairman, Mr. McIntosh, presiding.

The CHAIRMAN: There is a correction to be made in the record of proceedings on page 134; a remark made by myself at our last meeting. I begin by saying:—

I know that in the northern part of Saskatchewan, in which I am located, and which is a comparatively new area, they have given up the idea even there of keeping to wheat-raising, and are going into mixed farming. We have in my district some eight or nine creameries, with cheques coming in from month to month. Fishing also helps to break up unemployment, and lumbering in the North.

Now, the error occurs in the last two lines which are printed as follows:

We know the farmers have not broadened out into other things than wheat-growing, and they are in a very bad condition.

That should be just the opposite:—

We know the farmers have broadened out into other things than wheat-growing, and they are not in a very bad condition.

That was the idea that I wished to put before the Committee. The first part is correct, but the last two lines are not.

As you will have noticed from the minutes of the last meeting, we have with us to-day two representatives of the Canadian Manufacturers' Association. I think Mr. Coulter is anxious to get in his evidence to-day; He has a very important meeting on. I think it will be wise to call him first. Is that the wish of the Committee?

Carried.

WILLIAM CHARLES COULTER called and sworn.

By the Chairman:

Q. Please state your name in full, Mr. Coulter, and your position with the Manufacturers' Association?—A. William Charles Coulter. I have had a number of different positions with the Association. The reason that brings me here is that I have been acting as Chairman of our Industrial Relations' Committee. I have been on the executive, and I have been Chairman of other committees for some years.

Q. I think, Mr. Coulter, you are acquainted with the reference to this Committee, and if you will just unfold in your own way, first your ideas on the question, then, the Committee will question you after?—A. Mr. Chairman, I may say to start with, that the Manufacturers' Association is a very scattered

[Mr. W. C. Coulter.]

body; we have 4,200 members from the Atlantic to the Pacific, employing a great number of men, and this question—as it probably was to you a few weeks ago—is entirely new to us. We have never considered the question as something that was likely to come up in the very near future. Statements have been made on the floor of the House which tended to the opposite view. We have no expressed opinion that represents the feeling of our Association, and in coming to you to-day, I am handicapped to that extent, that I cannot tell you what are the views of our Association. The views of our Association on any question of national importance are obtained, first by sending out circulars to the whole membership, laying down the question to be discussed. It is discussed in either local meetings, or divisional meetings. Our Association is divided into five divisions, from coast to coast. It is evident that we could not bring men from British Columbia down to Toronto and Montreal to discuss questions. They meet in their local divisions and those questions are handed on once a year to an annual meeting. So that you will see that after the receipt of your information, to obtain any opinion of the Association that I could express, would be an impossible thing for me to do.

At the same time, there are certain fundamental particulars that perhaps we can discuss. If you will recollect, the Association took a definite stand some years ago, on the question of the eight-hour day; and that stand was based on the fact that our friends across the line, who are our greatest competitors have no such legislation, and we felt that we should not be handicapped by passing it. That same viewpoint is held in Europe to-day. England, France and Germany had a meeting last year and neither of them have adopted the eight-hour day, because their competitors are not also adopting it. We feel that that is an important point to consider in connection with social legislation that would entail a cost to an industry. That is, we in Canada should not be called upon to take the lead. We must work either behind or at the same time as the neighbouring Republic to the South. If we do act before them, we are going to be badly handicapped. American importations are coming into this country in increasing quantity and amount, as you are aware, showing that the competition is very keen. If we were further handicapped it would be worse on employment. There is not any question about that. So that we consider, without going into the merits of the question, that a general consideration of the question, from our viewpoint, is untimely.

There is another point, that, without going into the merits of the question would enter into a discussion, and that is that any Act should be general in Canada. It would be unfair for certain provinces to be handicapped with an extra-cost of social legislation that other provinces who were their competitors did not have.

I might say further that we consider that manufacturing is not the chief cause of unemployment in this country. No figures are really available, but I think it would be a safe estimate that seasonal employment, outside of what is known as industries generally, would account for probably fifty per cent of the unemployment in this country. What I mean by seasonal employment is work on farms, lumbering, fishing, construction work on railways, and building construction as well; things of that kind that are not carried on through the whole year. These are outside of what are generally considered industrial problems, and I think your greatest unemployment occurs in that field, and any social legislation that did not take in that field would be taking in only the field less affected by unemployment. Canada is a small country, rather sparsely populated, and is a growing country where demands are growing from time to time, where additional work is being started from time to time, and where an entirely different field exists as compared with some of the European countries that have taken up this matter. The scale of benefits here, and the scale of wages is different from that of some of the other countries that have found it necessary

to take this up. These are just a few observations that we may make. The general view of the Association, whether its members would or would not favour a scheme, and as to what extent they would favour it, is not really obtainable. I merely point out some of the difficulties that would occur in the carrying out of the scheme.

The CHAIRMAN: Has any member of the Committee any questions?

By Mr. Woodsworth:

Q. A thought that has occurred to me, Mr. Chairman, as Mr. Coulter has been speaking, is this: May I ask what is the scope of the work of your Committee of Industrial Relations? That is a matter perhaps of general interest.—

A. Generally speaking, any legislation that comes up in any of the provinces that affects industrial relations is referred to this Committee. A question that was dealt with recently in different provinces was that of workmen's compensation. In most instances our Association stood behind the Workmen's Compensation Act. Mothers' pensions and other reliefs have come before the committee, and the Association and been dealt with either actively, or let go as the case may be.

Q. The committee has not undertaken to survey the field and provide for the needs of the workers?—A. I do not know just what you mean by that.

Q. I mean that the committee has not initiated such legislation as will really cover the social needs of the workers?—A. No, although to some extent we were the initiators of the movement in Ontario for the Workmen's Compensation.

Q. Let us consider that case. What do you say then about competition in the United States? In many States they have not yet workmen's compensation for injury?—A. Our employers in Ontario have complained of that for some time, but we favoured that because there was a little different question at stake there. The employers have a definite responsibility in connection with that. The former law made it possible for a workman to collect, and we put it on a better footing, by putting in Workmen's Compensation Acts. We were then doing what we had been doing in another way.

Q. You put it on a better business basis?—A. Yes.

Q. And it was good business to have it on the new basis?—A. Yes, that may be said.

Q. Do you not think it might possibly be good business with regard to some of these other social matters? For example, Henry Ford seems to think he can get greater production from his workers when they work for a shorter working day?—A. He may think that is so, and it may not be true. I have no evidence of that fact.

Q. No, but you would not say that a general consideration of that character ought to preclude the possibility of investigating whether this might or might not prove to be in the end, good business?—A. Every manufacturer is to some extent an individual investigator as to how he can run his plant in the best manner, and he will have his own personal opinion and will have different plans carried out.

Q. Supposing there was a considerable shortage of labour, would it not then pay the employer to have a steady supply of labour?—A. I do not just see how anything that comes up here on this question would solve that. Of course, we always want a steady supply of labour.

Q. Let me explain what I am getting at. So far in Canada, there has been a fairly abundant supply of labour, and the individual employer has not had to worry very much about where his labour shall be secured. And if there was an extra rush when manufacturing involved the need of more workers, he was able to get the workers and after that rush was over, he could dismiss them and leave them to shift for themselves. Supposing there was not an

[Mr. W. C. Coulter.]

indeterminate supply of labour available, would he not be forced to consider some scheme by which he could have his employees working steadily?—A. I do not just see the force of that in this way; I cannot speak for the Association on a point like that, but I have had considerable personal experience in operating a business for many years, and I have found great difficulty in getting the kind of labour I want, when I want extra labour. It has been practically impossible. We have gone to the expense of sending men overseas to find this labour, some years ago. Even this last year, at a very considerable expense, we had to train men who were not fitted for the jobs that they had to do. We had to put men on and train them, or rather to school them to the jobs, simply because the men were not available with the knowledge that was required to do the work. So that, there is not any large supply of skilled labour. When you come down to common labour, you are talking of another problem.

Q. Yes, of course, I quite recognize that in Canada as yet we have not made very much provision for technical training, or the training of technical workers. I think that is largely true?—A. Yes, we are however, making progress in that.

Q. We have depended on the older countries to supply skilled craftsmen. You spoke of our not being able to take the lead in Canada, and that we have to consider that we are in competition with the United States. We have textile factories here, for example, which are competing with England. In England, they have unemployment insurance. What do you say about the English people, they seem able to compete with us?—A. They have that of course, but that is another problem. I was referring to the competition of one sort, which is growing very materially at the present time, showing how keen the competition is there, and that any reduction of the margin, or any further handicap imposed on the Canadian worker would increase the amount of importation from that one source.

Q. I understand that point, but I want to carry your idea a little further. If the English people took that attitude, they would have to give up all these welfare schemes because they are in competition with Canada, and the States where such schemes do not exist?—A. They are taking that attitude to-day, on the eight-hour day question, and last year at the Conference at Geneva, they took practically the same attitude on sickness insurance, because England and Germany were the main factors that put the question through, and yet both of them had sickness insurance, and they put it through because they wanted to be relieved of the unfair competition which their having the scheme placed them in with regard to other countries.

Q. But they both have sickness insurance?—A. Yes.

Q. And that consideration has not prevented them from having sickness insurance and unemployment benefits, and that kind of thing?—A. It has not in that case, but it has prevented them in another case: the eight-hour day; showing that they recognize it and they have been trying to force sickness insurance on the other countries.

Q. Now that manufacturing is carried on on such a great scale in India and China, are we going to have to lower our standards of living to those of China and India, as they are backward?—A. We would if we did not have a tariff or some sort of protection. There is not any question that higher standards can only be maintained by some sort of protection.

Q. Do we have to contemplate our workers living on rice, and reverting to the low standards of the Orient?—A. The Oriental standard is rising, and rising fast too.

Q. But still, it is much lower than ours?—A. It is much lower. So is that of Europe as far as that is concerned.

Q. Have you worked out any means by which we could maintain our standards here, in face of world-competition with countries of much lower standards?—A. I have not. I am not aware that that has been worked out in Canada, but it was very carefully worked out in the States several years ago. You will remember that there was a Commission which made an inquiry there, and compared the cost of living in all the countries of the world, and their only answer was tariff protection against those countries to maintain the standard inside their own country. That was the only measure that they brought out of their discussion of the matter.

Q. Are you aware that there was another plan devised by the Labour Department of the League of Nations? That is by having minimum universal standards?—A. When that becomes universal, or when it reaches a point where your nearest competitors have it, then it will be on a different footing altogether.

Q. Then would you be in favour of all nations adopting the standards laid down by the League of Nations?—A. I think, generally speaking, that would be a wise thing to do for Canada, if they were all in line.

Q. In that case the cost of the various manufactures would be passed on?—A. The cost of the various manufactures would be passed on, so that everybody would have it.

Q. So long as the United States does not come under that scheme, you see difficulty?—A. I see very great difficulty.

Q. Right in our own provinces, it is suggested that we have to face a similar situation. In British Columbia they have enacted a minimum wage law for men; they have to compete with Ontario and Quebec, and other provinces, in that regard?—A. Well, they do not compete very seriously. Their position does not make their competition very serious with the eastern provinces.

Q. I can remember that in my own province of Manitoba when the minimum wage for girls was passed, our manufacturers said they could not begin to compete with the manufacturers, say, of Montreal or Toronto, where lower standards prevailed. Has the Canadian Manufacturers' Association ever made any effort to overcome these sectional differences?—A. No, except that each division tackles its own problems separately. Where it is merely a local problem, it does not come before our general association. It is quite possible that our division in British Columbia might take a different attitude from Ontario and Quebec, on the same problem.

Q. Do you not think that an association such as yours ought to seek to provide for general legislation along these lines, in all the provinces of Canada?—A. I have stated that I think that might be the view of the association, that the association would consider it, if it comes up. If legislation was not general in Canada, it would be unfair to certain sections.

Q. You suggested a few minutes ago that your association generally thought the only way to maintain industries here was by protection?—A. I did not mean to put it in that way. You asked as to a particular problem, and that was only the answer to give on that problem.

Q. I do not want to go into the question of the tariff. Following that, do you think labour in Canada has been protected, or is protected to-day?—A. I have not the slightest doubt about it. They would not be drawing what they are drawing to-day, if they were not protected.

Q. I was not thinking of tariff protection but has labour been protected in the maintenance of its standards. I am not asking about the tariff, because that always seems to be with us?—A. I did not catch the significance of the word "protection," in that sense. I know what you mean now. I feel that the worker in Canada is in a very favourable position as compared with workers in other parts of the world; his standard of living and his comforts are not excelled in any other country in the world, except the United States, if they are excelled there.

Q. In Australia for many years they have had a policy of restricted immigration; they in the first place started out to obtain a white man's country, as they put it, and cut out all Orientals; in the next place they have restricted their influx to European immigrants, and have maintained their high standards, while we in this country have adopted a policy of encouraging immigration, and there has been a stream of immigrants tending to lower the standards of the workmen living here. Would you say that labour, under these circumstances, is adequately protected in this country?—A. If unemployment is due to the influx of immigrants, it would seem unfair to labour. At the same time, the country is continually expanding and taking care of its immigrants. It is just a question of whether they are coming in faster than Canada can take care of them.

Q. You have been saying that we cannot compete with the United States. In the United States labour is, to a certain extent, protected under the Quota law, from outside competition. As the Manufacturers' Association is still able to obtain a ready supply of labour from Europe, do you not think that if you have the opportunity of having a constant supply of free labour from Europe you ought to be willing to carry the burdens which that entails?—A. I do not know that I can agree that as manufacturers we get a constant supply of free labour. If you compare the immigration returns, you will find that we are only appealing to certain classes of immigrants. You are generally appealing for farmers. A good many of them drift into the cities, and they have to be supported, because they are not taken care of on the farms. Usually they are not skilled men. If you were bringing in skilled men, that would likely help us.

Q. Statistics show that although an appeal has been made for farmers, a great many have been engaged in various industrial pursuits before they come to this country; and they drift into the industries after they arrive?—A. A good many of them do drift in.

Mr. HOWARD: The American workmen are protected more than the Canadian workmen are, you say. But that is not the fact. According to population there is double the unemployment in America to-day that there is in Canada.

By Mr. Woodsworth:

Q. Is it not a fact at the same time that for the last two years they have had the Quota law, which excluded a great deal of immigration to the United States?

Mr. HEAPS: Do you mean to say that wages are higher here than in the United States?

Mr. HOWARD: Not at all. There is less unemployment. It has been put into the record here that the American workers are protected more than the Canadian workers. That is not the case.

Mr. WOODSWORTH: The witness has suggested that since we were in free competition or in close competition with the United States, it would be difficult for us to move in advance of them, and there is something in that contention. I was pointing out, on the other hand, that they had managed, through their Quota law, to more or less regulate their supply of labour.

Mr. HOWARD: They had to.

Mr. WOODSWORTH: That may be, but we have taken no corresponding action. In my own city of Winnipeg, we have had thousands dumped into the city, many of them finding employment and that has tended to lower the standards. I can remember a Commission some years ago, with which I was connected, and the then Mayor of the city boasted that our City of Winnipeg was a good labour market, which simply meant that labour was readily procurable on account of large numbers of people coming in there. My suggestion in that connection would be that labour was not protected against outside

competition from Europe and elsewhere, and hence we might have to have extra safeguards against unemployment.

WITNESS: The Quota Law was not designed for the protection of the workmen; it was designed to keep out large influxes of population from certain districts, and to control the kind of people that came in. It was a natural problem which had nothing to do with industry.

By Mr. Woodsworth:

Q. I am not suggesting that that was not the design of the Quota Law. There is a certain protection, undoubtedly. For some years we have had tremendous emigration to the United States, on account of there being more work there than we have had here. I have one more question noted here. As regards seasonal unemployment, I think we would all agree with what you have said, Mr. Coulter, with regard to that being the case in the unskilled industries, construction work, and so on. Would it not be possible, seeing that this country is so largely dependent upon seasonal work, that some scheme could be arrived at by which one industry could be worked into another, so that the individual workman would not have to suffer? If we need men on construction work, if we need men in the harvest fields, if we need men in the lumber camps, in certain districts and at certain seasons, in order to promote the general welfare ought there not to be some scheme worked out to carry them over the 12 months?—A. Any scheme that could distribute employment to relieve unemployment would certainly be worth while; but I cannot see the connection with unemployment insurance, or that anything in the way of unemployment insurance can help that. If you have a surplus of workers in Canada at the time of the harvesters' excursions to the West, and they are out of their regular jobs and have obtained unemployment relief, you are less likely to get your quota to go West than if they had had no unemployment relief.

Q. Do you not think if we were all paying through taxes it would be a very strong incentive for the State generally to provide better facilities for providing work than we have at present?—A. I had the pleasure of reading the Blanesburgh Report, and I think they set out as their chief point the ameliorating of unemployment. I think anything the country can do as a whole along that line is worth doing.

Q. To-day the poor workers must bear the brunt of unemployment; the unfortunate individual worker, if he were to be taken care of, and we were all paying taxes to take care of him, would that not be an incentive for the State to take up the problem more vigorously?—A. I do not know to what extent it is a serious problem. My own experience has been along the other line. I have been operating a business for a great number of years, and I have yet to know any employee of ours who suffered any hardship through unemployment in any of the periods we have passed through. But I do know there are exceptions to that. A figure was arrived at of 6 per cent, which only means three weeks unemployment in a year. If workers are paid reasonable wages and only lose three weeks in the year, it would not require any great amount of State control to take care of them. A man should be able to take care of himself.

Q. But in the building trades the period is about four months?—A. I have always heard that when they demand more wages, that is the argument they advance, that they have to be paid for their periods of unemployment.

MR. WOODSWORTH: In the mason trades they do, but in others they do not.

MISS MACPHAIL: Many of these people are not manufacturers, but ordinary folk; they are the people who get out of employment and who have to bear the

[Mr. W. C. Coulter.]

whole brunt of it, through no fault of their own. I do not see that there is any use saying that these are just isolated cases; they are not, they are general cases. In the winter, every member of this House knows about them, but they do not know what to do about them. We had a group here yesterday of about twenty-five people, one of them a woman with a little baby, and all showing signs of not having enough to eat. Looking at them, I did not think there needed to be much argument about it. I think Mr. Woodsworth's argument is well taken, that in long periods of unemployment there should be some care taken of them. There would then be an interest in the human feature of industry. So far as I can see, the human feature is the least considered. I went through two factories a few days ago and looked at the men at work. One of the proprietors took great pains to show me all the machines, but he did not say one word about the human element from the time we went in until we came out and yet he is a very fine fellow. I think we have the wrong view of this thing. Humanity in industry is so much more important a factor than anything else, that I think that if we had unemployment insurance which would throw a lot of the responsibility on the State, it surely would become the interest of everyone. Do you not think so?

WITNESS: I fancy, Miss Macphail and Mr. Chairman, that the employers are taking very seriously their responsibility towards their workmen, and I doubt if any scheme where the State took over that work would make them feel any more their responsibility to their workmen; it might make them feel less. For example, I remember a case which was dealt with by the association as a whole during the year 1914, when resolutions were passed by our committees and forwarded to our members, recommending that men should not be laid off entirely, but should be laid off for certain days in the week and the employment divided among the workers, so that there would be no hardship among them. Things like that are dealt with not only collectively but individually. We do consider it very seriously. If the State undertook to carry the load, we might be inclined to lean on the State and let them do it.

Miss MACPHAIL: I am not suggesting that it is wholly true that employers of men do not have a humane feeling for their employees; I am not conceding that it is, but if it is, what about the men who are not employed, men who through no fault of their own are thrown into a year or two years of sickness, and are not able to work for the rest of their lives? What is to become of them? No manufacturer is going to take those people up and look after them. It does not seem to me that anything you propose would cover that sort of case.

WITNESS: I do not know that the insurance schemes they have in other countries take care of that either. I think the British scheme takes care of men only for a limited time. They cannot draw for two or three years under that scheme.

Miss MACPHAIL: If a man has not got anything, who is going to take care of him?

By Mr. Heaps:

Q. If he is only sick for one month, what is going to happen to him?—
A. Here?

Q. Yes?—A. Generally a man is able to take care of himself. Personally, I have not had cases where it was not so.

Mr. HEAPS: I have known a great number of them, and the average worker has not very much between himself and poverty, a few weeks' unemployment will put him there.

The CHAIRMAN: However much we think of it, the individual has some responsibility for himself.

Mr. HEAPS: But when he is through with it, he has nothing left.

[Mr. W. C. Coulter.]

The CHAIRMAN: What about the question of thrift?

Mr. HEAPS: We have had the evidence of women employed in the shoe industry and in the cotton industry in Quebec, where they were receiving an average wage of \$8 a week the year round. What opportunity is there for a girl to be thrifty on \$8 a week?

The CHAIRMAN: There is something in that. If a man had a wage, on which it was impossible for him to save anything, there is something in it, otherwise not.

Mr. HEAPS: Some of the men earned an average of \$660 a year. How could men save anything on those wages? The average wage according to the Bureau of Statistics is \$960.

The CHAIRMAN: Perhaps Mr. Coulter can enlighten us as to the wages paid.

WITNESS: I have nothing but the information you, yourselves, have had. I was interested in following the address Mr. Heaps made in the House, but I did not arrive at the same conclusion as he did that day. He said that, taking the 1917 figures as 100, and taking the last period in 1924, the average wages paid represented 127.9, but that commodities had risen only 117 per cent and that wages had a value as compared with 1917 of 111.4, that is, that labour between 1917 and 1924 was 11 per cent better off.

By Mr. Heaps:

Q. Did you notice that in the same statistical table I took from the Year Book that there were about the same number of people employed in 1924 as in 1917? I want to point out that the aggregate amount of wages paid out by employers was really less in 1924 than in 1917, taking the value of the dollar into consideration?—A. But the table showing 111.4 was real wages. That shows that real wages had advanced 11.4 per cent.

Q. You may have given that to persons employed in a particular industry, but the actual amount of wages paid out was less in the aggregate in 1924 than in 1917, and, in that same period production showed an increase of about 127, while wages went up about 111?—A. Wages went up 127.9, and commodities 114.7.

By Mr. Howard:

Q. Mr. Coulter, in your association of manufacturers, have you any manufacturers who have adopted profit-sharing with their employees?—A. I know some have, but I have not got any personal knowledge of the scheme.

Q. Do you know if there are any of the manufacturers who are at the end of the year paying a proportion of their profits to their employees?—A. I know some of them are, but I have no information which would give you any figures on that point.

Q. In other words, if that were done, instead of splitting the capital and trying to cover up the profits, would it not solve the question that we are on to-day regarding insurance and unemployment?—A. I do not know what you mean by splitting the capital and covering up the profits. That is something new to me.

Q. We will take an industry that makes a net profit this year of \$100,000, after paying interest on bond issues, depreciation and so forth; it takes 10 per cent to pay a dividend on its stock. What is it going to do with the rest of the profits? If they took \$50,000 and paid it out in proportion to the years of service of the employees who earned it for them, would not this question of insurance be eliminated and industry be on a better basis throughout Canada?—A. As I see it, a company earning \$100,000 a year in profits would be

[Mr. W. C. Coulter.]

paying out very heavily if it paid \$50,000, without paying the other \$50,000, because the balance sheets always show that you have assets tied up. You cannot always pay profits out in cash that does not exist in that form; so that if you simply say you have \$100,000 to pay out, that is not the case.

Q. I said, after paying depreciation, taking care of all their reserves, and all the money that they can put away for all purposes, they have \$50,000 that they do not know what to do with; do you not think if they divided a larger portion of it among their employees, who earned it for their employers, that this situation of unemployment insurance would not be coming up in Canada?—A. I do not know that that is the place where it is needed. The men might be very well provided for already.

Q. I am interested in one of the largest manufacturing towns according to population in our province, and we adopted, or one of our manufacturers has adopted that principle, and it is working out wonderfully. There are two things you have already mentioned; if a company doing this would raise their employees' wages, it would throw their wages out of accord with the wages of the rest of the employees. Personally I am in favour of high wages; that goes on the surface, but if you are making any line of goods and you are paying one schedule of wages to your employees, and you double your employees up, the other fellow would be out of business, or something else would happen. You have to consider that point?—A. Our method, that of the manufacturers, in distributing extra money to their men, is rather to bonus them for production, to put them on piece work or on a bonus system, so that they earn extra in that way. That does not affect the different rates to the different men. That is the more usual way of doing it.

Q. I am not so keen on that, because that is what Henry Ford is doing, and I think it is going to be in the long run a very great detriment to Canadian labour. After all, you have to help people to build up the country, and you cannot go beyond a certain point?—A. That is the American method we are competing against.

Q. I am anxious to see this system which I have mentioned go into effect in as many provinces as we can get it. I am going to get it into effect in Sherbrooke, if I can. I am afraid of this proposition, having tried it in several other lines. I have been a crank on this subject ever since I have been employing large quantities of labour. We are not taking any insurance (you may think this is a funny statement) because I found that in every case of extraordinary accident the insurance companies do not want to pay, and the man who should get it does not get any benefit; so that the companies I am connected with do not carry any insurance, because we can pay our own men and give them more satisfaction at it does not cost us as much money on that line. I am keen on that point. There are a lot of people who are not as honest as others, and who might take advantage of state insurance.

Mr. BELL (St. John-Albert): The head of one of our firms in St. John is very much interested in the welfare of his employees? They have a participating method of dividing the profits. I have just been wondering whether or not there is any uniform method being employed by these men who employ labour, and whether it does not vary in different industries, with no uniformity?

Mr. HOWARD: In answer to Mr. Bell, we will have to go through that stage. One manufacturer has one scheme, and another manufacturer has another. We will then get to the real thing.

Mr. HEAPS: Mr. Coulter has quoted some figures. I have these figures from the Year Book. In 1917 the total wages paid amounted to \$420,000,000, and in 1924 it was \$420,269,000. On the other hand, I find that taking the cost of commodities in 1917 as 100, the cost of commodities at retail prices was 114.7

[Mr. W. C. Coulter.]

in 1924. In other words, I claim that in 1924 the gross amount of wages paid out was approximately 14 per cent less than in 1917.

WITNESS: On the very bottom row on that page the increase shown is 127.9 per cent, and the increase in real wages 11.4 per cent.

By Mr. Heaps:

Q. Will you answer the question first?—A. I do not see what you are getting at. You are quoting just the lump sum of wages.

Q. Yes?—A. And showing what the commodity rise was, without any reference to the individual.

Q. I will come to the individual in a moment?—A. It would look, therefore, as if the total wages paid had less purchasing power than they had before.

Q. On the other hand, I find that in 1917, according to the same figures, there were 552,968 men and women employed in industry, and in 1924 that number had dwindled to 432,273; in other words, there were approximately 120,000 less persons employed in industry in 1924 than in 1917. I think you will accept these figures as being fairly correct?—A. Yes, but there is a natural explanation for that.

Q. What is it?—A. In 1917 every man we could get from the farm and country was working on munitions. Those men were not working on normal production.

Q. Then we will take the question of production, if you raise that point. In 1917 the gross value of manufacturing production was \$2,873,268,183, and in 1924 \$2,695,053,582. It shows, according to the volume of production, that taking 1917 as 100 it had increased to 104.65 in the same period; in other words, production had increased, but the purchasing power of wages was less in 1924 than in 1927, while 120,000 less persons were employed in industry?—A. Yes, but they were paid a higher rate.

Q. But that higher rate was 11.4?—A. The actual purchasing power.

Q. The 120,000 less persons employed in industry, which amounted to 432,273 only had 11.4 per cent increase in wages, without taking into consideration the lesser number of unemployed. Where did the rest go to, with the increased production in that period?—A. Well, I have not made any study of the figures, just to say, and I do not know of any other explanation than the one I have given. I can remember that in 1917 in my own plant I was running night and day, with every man I could get. Those men were not men regularly employed in industry; they were in from the farms, and finally returned to their own employment.

Q. Employment showed a decrease, but an increase in production of 128 per cent. There was a difference approximately of 15 per cent for which the workers did not get anything?—A. I think the figure of 127.9 was real wages paid.

Q. Take the real wages in the last column, 111.4?—A. Yes.

Q. Was that money value?—A. That was the purchasing power. That was real wages; the money value of 127. The figures are here by years, all the way from 1917 to 1924. They show a peak in 1920 and 1921, and a decline which followed the period of unemployment which struck the country in 1921 and 1922.

I do not think, Mr. Chairman, that I have anything further to remark in regard to this, except to say that I cannot see but what the point I made is correct, that the real wage of the worker increased in that period 11 per cent, which is the only point I was trying to make out of it. The question of the number employed, I cannot answer, because I do not know where it comes in.

Q. You will find in these figures indisputable evidence that while production certainly increased in that period, the number employed decreased 120,000.

[Mr. W. C. Coulter.]

What is going to happen to those men and women who are out of work?—
A. Production did not increase in real value. You will find that on the other page.

Q. The quantity of production increased?—A. The statement shows that the actual gross value was less in 1924 than in 1917, by a couple of hundred million dollars. This index number, I do not know just how that is made up, but it does show 104 as against 100.

Q. That shows a huge displacement of labour in that period, and I want to know if you have any suggestion to make as to what we should do with those men and women who find themselves displaced and out of work?

By the Chairman:

Q. Will you answer Mr. Heaps?—A. I do not know that I can say very much along that line. I have found that manufacturers generally during that period took the greatest care of men seeking employment. We know that in business wherever arrangements could be made to employ more men, the employers have always been able to do it, and I do not think any of the blame for unemployment is on the employers. I do not know where those 100,000 people went to. On top of that, there were 200,000 soldiers came back. Where did they go, if they did not get employment?

Q. There is nothing to account for why so many hundreds and thousands of people went to the United States in 1921 and 1922, but I am not going to blame the employers, because they do not agree to furnish their employees with work; nevertheless that is one of the modern industrial conditions, and we have to face it.

By Mr. Neill:

Q. I would like to ask one question. I would like you to explain one of your statements. I think you said that in the Blanesburgh Report on Unemployment in Great Britain it was featured that the outstanding remedy for unemployment was to do away with seasonal employment, rather than by providing a system of unemployment relief. If that is what you said, I would submit that it is incorrect, because the Blanesburgh Report emphatically announced that unemployment had come to stay, that it was unavoidable, and that it must be provided against. Then you went on in quite a secondary manner to give two or three suggestions to remedy unemployment. They emphasized the main feature of the report, which was that we must provide against unemployment?—A. May I quote from the report? What I want to refer to is:

The Committee conclude with the following general statement of their endeavours; We have now set out our findings in accordance with our terms of reference. First and foremost, we desire that all possible steps should be taken to reduce the evil of unemployment. Where this result cannot be achieved, recourse must be had to a scheme of unemployment insurance. We have recommended a scheme which we believe will be of practical value to the insured persons when they are unemployed, and advantageous not to them only but to the employers and the State.

That is from a copy of the report which I have, which I presume is correct.

Q. One of the schemes was that they should have Unemployment Bureaus, and things like that. They were prepared to contribute; certainly their own resources would have to be employed first. Those gentlemen put these remedial measures in, anyway?—A. The main conclusions are at the end of their report.

Mr. NEILL: They wound up with the most important thing, that of meeting unemployment.

Witness retired.

[Mr. W. C. Coulter.]

H. W. MACDONNELL called and sworn.

By the Chairman:

Q. Your full name?—A. H. W. Macdonnell.

Q. What is your position?—A. Secretary of the Industrial Relations Department of the Canadian Manufacturers' Association.

Q. Will you please launch out and give your views of this subject, and we will question you later on?—A. Mr. Chairman; I feel that I have not a great deal to add to what Mr. Coulter has said. I should say, and repeat what he has said, as a matter of fact, that the Association as a whole has never considered the question and has never laid down any definite policy on it, so that any remarks one makes are simply by way of pointing out some of the conditions which in our opinion are peculiar to Canada, and which would have to be taken into account before a scheme of this kind was introduced here.

Having made that explanation, I might add this to what Mr. Coulter has said, that one of these conditions peculiar to Canada which an Association like ours would undoubtedly take into consideration in enquiring into this question would be this, that Canada is a sparsely populated country, with some nine and one-half millions of people, with tremendous undeveloped resources, with constantly expanding industry, and therefore constantly increasing employment. As a nation, we are looking out for new people. The cry is heard on every hand that we want immigration. Well, what an Association like ours would undoubtedly bear in mind would be this, that the two things should be co-ordinated. Here we are, bringing in new people, and at the same time it is being proposed that we should provide unemployment insurance for some of the people we have here, and that in spite of the fact that we have, as I say, industries constantly expanding, and undeveloped resources. I am not saying that the Association would pre-judge the thing set out, with the idea that unemployment is an evil, and find arguments against it. What I am saying is that a question like unemployment insurance would have to be considered in relation to the whole question of immigration. That is one thing.

Another thing I think Mr. Coulter did not touch upon was this, and this is another condition which I submit is peculiar to Canada, as compared for instance with a country like Great Britain. In a country like Great Britain employment conditions, along with everything else, are, so to speak, static as compared with the fluidity in a country like Canada. For instance, an example of it, extreme no doubt but still true and significant, was given me just the other day. In a certain coal mining area in England there has been no mining employment in two years, and not a single one of the workmen living in that particular district has seen fit to move out of it and look for other work. That is what I mean when I speak of static conditions in England. The mind of the people is such that such a thing is possible. I submit, Mr. Chairman, that that sort of thing is unknown in Canada. I submit further that it is a jolly good thing that it is unknown. I say that it is the very best possible thing, in a country such as this, that the mentality of the people is such that when a man finds one job giving out he shall set out and look for another one. I agree that in some cases he would be unable to find one, and I agree that when that happens the man should be taken care of.

I want to interject here that when cases of distress are mentioned in connection with unemployment there is a sort of implication that the employer is callous about these things. I would like to point out that he is no more callous than anyone else, and if he does not see eye to eye with a person who is recommending a certain way of dealing with the matter, he is not callous; the difference lies in the way in which relief ought to be given. I am dealing with the question of the contrast between the fluidity of conditions in a

country like Canada and the static conditions you have in a country like England. I say that that goes to the root of a question such as this. I do not say for one moment that it precludes the desirability of having unemployment insurance, but I say emphatically that it is a thing which would have to be taken into account, and further, that this fluidity is a good thing not only from the point of view of unemployment and of people going on the land, it is a good thing having regard to the character of the workmen themselves.

I do not think it will be disputed that it is infinitely preferable that a man who is out of work should bestir himself and look for a new job rather than sit down and twirl his hands and look for unemployment relief. Suppose a man cannot get work, I suppose you will admit with me that that is a case which will happen, but in Canada it is the exception rather than the rule, and to deal with an exceptional case by a wholesale system of unemployment insurance I think should be very carefully considered.

Another point I might mention, Mr. Chairman—I do not want to keep you—is that there has been a very striking increase in the amount of group insurance and the like that employers have voluntarily placed. The figures I got yesterday from the Dominion Department of Insurance were to the effect that the amount of group insurance, which includes to some extent sickness and invalidity as well as life insurance, has increased from \$76,000,000 odd to \$275,000,000 odd in the period from 1920 to 1927, and that is a movement which is still going on.

I do not know that there is any other particular point that I want to touch upon, Mr. Chairman.

By Mr. Heaps:

Q. You referred to the static conditions in the British coal mining industry, in certain areas?—A. Yes.

Q. And you gave instances why it should be necessary to have employment to take care of men in a case like that. How long has that static effect been noticeable in Great Britain?—A. From the beginning I should think, of the industrial revolution, to some extent, but increasingly in recent years, when the country has become so highly industrialized.

Q. It was not known before the War, to the extent that it is now?—A. No, not to such a great extent.

Q. It is really an after effect of the War?—A. I could not agree with that, Mr. Heaps. I think it is characteristic of English conditions as they have existed for the last one hundred or one hundred and fifty years. Everything in England, social conditions and economic conditions, are more static obviously, than with us.

Q. But in the coal mining industry, the after effects of the War have really made a tremendous change in that industry?—A. No doubt it has been intensified, but my information has always been that in coal mining you have an occupation handed down from father to son. When times were good, British coal miners only worked a few days in the week, and when wages were bad or lowered they would work more and as a consequence it was often seen that they were better off in bad times than in good times; they did not have the ready money to spend uselessly. That was general. I have been in the Old Country.

Q. I was born in the coal mining areas of the Old Country, and I know what I am talking about. The unemployment insurance scheme came into effect before we had these very bad static conditions?—A. I could not admit that. I agree that the condition has become intensified since the War, but that static condition in England has been there for generations.

Q. The handing down of jobs from father to son is quite a common practice in Great Britain, but the coal mining industry in Great Britain has become unfortunately worse in the last ten years?—A. I would submit this, Mr. Chairman, that while Great Britain had an easy lead over other manufacturing

countries and had her goods going to all countries of the world, and had no serious foreign competitors, this static condition did not manifest itself, and did not become serious, but with Germany and other countries coming into competition the condition in England became more serious. Unemployment insurance has become unavoidable in England for some time.

Q. At the time the insurance scheme was inaugurated in 1912, the question of unemployment was no greater there than at the present time?—A. There were bad times in England then. In 1911 there was a great deal of unemployment. I cannot speak definitely as to the figures.

Q. Official figures will show, I think, that unemployment ran about 6 per cent at the outside. We have that amount of unemployment to take care of in Canada at the present time?

Mr. HOWARD: Is that unemployment eliminated at all?

Miss MACPHAIL: Is it lessening any?

By Mr. Heaps:

Q. I was saying a moment ago that the War had a tremendous effect on unemployment. I will leave that for the moment, and come to the point where you said a man could always find work in Canada?—A. I did not say that.

Q. What did you say?—A. I said that with conditions anything like normal in Canada there were other occupations for a man to get. I would admit that there are certain conditions and certain times when that would not be possible, and it would be necessary to do something to relieve the situation.

Q. But do you not consider unemployment a permanent feature in our social system?—A. Not in Canada.

Q. Why have we got it now, and why have we had it for years?—A. I do not know what reason there is for saying that we have 6 per cent unemployment in Canada. My impression is that one of the witnesses before this Committee (Mr. Rigg, of the Unemployment Council) said there were no definite figures to-day.

Q. But he said there was a large amount of unemployment for years?

The CHAIRMAN: Seasonal unemployment.

By Mr. Heaps:

Q. We will not differentiate between the two. You say that these people can be absorbed. I would like to know what can absorb the unemployed in Canada at the present time?—A. That is very difficult to answer, but at the present time industry is expanding in various parts of the country, notably in the Province of Quebec, at a very rapid rate, and another thing that it seems to me to be proper to mention is that Canada is predominantly agricultural; on every hand we hear the cry that we want more people to go on the land. I quite admit that those 1,400 men out of employment in Winnipeg might not be able to go on the land this week or next week, but by and large what we want in Canada is people to go on the land, and that we should encourage them.

By Miss Macphail:

Q. Who wants them to go on the land? You talk of unemployment in industry; there is also unemployment on the land, particularly if you consider that some of them have nothing left at the end of the year. I want to know who wants them to go on the land?—A. I quite agree that people on the land now do not want any more competition, but from the point of view of the country as a whole it is a sound policy to try and increase the number of people going on the land.

By the Chairman:

Q. You think it is a foundation industry?—A. I do.

By Miss Macphail:

Q. If it is a foundation industry, and if it is the predominating industry in Canada, why should not the policy of industry and the policy of government be based upon agriculture and the needs of agriculture? You do not mean more agriculturists in Canada. I am always amused at you fellows who are in industry when you talk about more people on the land. You speak for industry. Grant us the same privilege. If we do not want more people on the land, and if we are the predominating people in the country, we should have more to say in the drafting of the immigration policy, and if we had we would not have the stupid immigration policy that we have?—A. Do you think it should be settled in the terms of the people now on the land or in terms of the general welfare of the country?

Q. I think it should be settled in terms of the general welfare of the country.—A. Not necessarily the people who happened at the moment to be on the land.

Q. Why not? What is the sense of asking people to go on the land in Canada if you cannot promise them some reasonable return for their labour at the end of the year; what sense is there in it?

Mr. CAYLEY: Would you exempt farmers from unemployment insurance?

Miss MACPHAIL: Well, the farmers would pay the most of it in the cost of the goods they consumed.

By Mr. Heaps:

Q. I would like to ask this question: do you not think, Mr. Macdonnell, that the community as a whole has some responsibility to the men or women who find themselves out of work and unable to make a livelihood?—A. Yes, undoubtedly.

Q. What is your suggestion?—A. I should like some notice of that question, as the Minister would say.

Q. You had notice, in coming here?—A. That is true. I am afraid I cannot be very clear upon it, Mr. Heaps, but I quite agree that if there are a certain number of people in the country who are willing to work and cannot get work, it is up to the community to accept some responsibility for them, and the community as a matter of fact does. What I do say is that the question of the wisdom or otherwise of unemployment insurance should not be determined upon the basis of a small number of men who find themselves in that unhappy situation. I admit it is one factor to be taken into account, but I do not think it is in the least a governing factor.

Q. Why do you say, on the basis of a small number of men?—A. Because I think in a country like this, where industry is expanding—I agree that greater specialization of machinery is reducing the number of men wanted in industry, but allowing for that I submit that it stands to reason that it is not going to go behind at all, industry is going to expand here, and if our immigration is co-ordinated properly with our internal conditions, the question of unemployment should be negligible.

Q. You said a few moments ago that there was a small amount of unemployment; you said the Committee had not any figures before it. I would like to know where you got yours from?—A. I admit that we have no definite figures, but we go to the Department of Labour figures, and they tell us that the index number of employment is at present over 100, and we look at the

[Mr. H. W. Macdonnell.]

returns from the Trades Unions, and we find to begin with that only some 1,500 locals out of 2,600 bothered to send any returns. That does not seem to point to any serious unemployment.

Q. But it has been shown in the evidence of Mr. Rigg that when there is work available there are very few registrations at the employment agencies, and when there is no work available there are very many registrations at the employment agencies?—A. Yes.

Q. Indicating that there is somewhere a large reserve of men looking for work when it opens up. Your organization has not considered this question to any great extent?—A. No.

Q. You have no suggestion at all to make as to what you would do with the human element in industry which finds itself without work?—A. I find it very difficult to answer, it is such a hypothetical question. I think before it is answered we should have a most careful survey as to what the probable number of unemployed is.

Q. You agree that there may be a higher index of unemployed; this is something that works in cycles; you have given a great deal of thought and attention to the question of employment and unemployment, which goes up and down during a period of years?—A. Yes.

Q. A high ratio of employment in Canada fifteen years from now; we might have that?—A. Yes.

Q. Or a less ratio of employment will mean more unemployed?—A. Yes.

Q. That has been the case ever since the industrial revolution, the question of unemployment is something that is permanent?—A. In old settled countries, static countries, I agree that it is, but I do not think there is much point in trying to give an answer to a hypothetical question of that kind, because I think the answer would depend upon the number of permanently unemployed.

Q. The cycles of prosperity or depression are things which are always with us; it is the same in an old country as it is in a new country?—A. I do not know that I would admit that. I am thinking of one economist who pooh-poohs the whole idea of trade cycles.

By Mr. Neill:

Q. Of what?—A. Of trade cycles. The economists themselves are anything but agreed on the question as to whether there is such a thing as a trade cycle.

By Mr. Howard:

Q. Anybody who makes that statement is crazy?—A. What statement?

Q. The statement that there are no trade cycles?—A. Yes, there is a variation, but whether there is any regular and definable movement every seven years or not is another question.

By Mr. Heaps:

Q. I do not say three, five or seven years, but cycles?—A. If you say there are ups and downs of employment, that is true, but I cannot subscribe to the idea that there are cycles.

By Mr. Woodsworth:

Q. While your contention as to this country expanding may be true, yet you will surely admit that there is more or less of a residuum of unemployment at any one time, possibly through lack of correlation?—A. I dare say in places like Toronto, even in most prosperous times, you will find a few people out of work, but the presumption would be that they are unemployable, that is, in prosperous times.

Q. In prosperous times, yes, but you will admit that there are ups and downs?—A. Oh, yes.

Q. And you will admit that in times of slackness there is a residuum of unemployed?—A. Yes.

Q. Those people should in some way or other be provided for?—A. Certainly, society cannot allow them to starve.

Q. If society cannot allow them to starve, would you say that the best way is to provide for them through casual charity?—A. No, not necessarily. The ideal way, of course, would be that so far as men who have been in employment are concerned and have lost their work through bad conditions, the ideal thing from every point of view would be that those men should have saved, and be able to tide themselves over. I do not say that that is possible in every case. What I say is that that would be the ideal thing.

By Miss Macphail:

Q. If Judges cannot save on \$13,500 a year, how in the world can a man save who gets \$500 to \$1,000?—A. They occupy a position they have to keep up.

By Mr. Woodsworth:

Q. In industry I think it is admitted that in prosperous times provision is ordinarily made for slack times; it is possible that in the book-keeping arrangements there are reserves built up and such a situation provided for?—A. Yes.

Q. In ordinary cases that is not the case with wage workers?—A. There is no doubt that the ideal thing is, to set aside something for slack times. In prosperous times the average workman is earning high wages, possibly he is earning overtime pay, and so on. The fact remains that we all know hundreds of cases of workmen who, when they are thrown out of work temporarily, are able to maintain themselves.

Q. Quite so. I think we are all agreed upon that, but we are thinking of the people who are not able to so maintain themselves, and that residuum, which I think you will admit is present. You emphasize the fluidity of conditions in this country?—A. Yes.

Q. And the fluidity of labour?—A. Yes.

Q. I think we are all agreed upon that, but does not that very fluidity mean that men cannot very well claim help from one particular organization; a man may work in Toronto to-day, six months hence he may be in Winnipeg working for another employer, and six months after that he may be in Vancouver working for still another employer. Under these circumstances he cannot hold any one industry responsible for helping him?—A. I think you will agree that you have given a rather extreme case, Mr. Woodsworth.

Q. I agree with you, but yours was an extreme case of men being in mining villages years ago and who had not moved out?—A. That was an extreme case.

Q. I am not insisting upon that one case, but I am suggesting that in the most of them men do not settle down for life with one employer, or even in one industry, but that they are constantly shifting from place to place, and consequently they have not, as in the Old Country, a claim upon one particular employer or one particular industry?—A. I should hope that would not apply very widely. However, on the whole undoubtedly there are numbers of single men who move about the country, but the great majority of married men do not; they stay with one employer. I came across a case the other day of an employer who made the statement that in twenty-five years of his life he had never known a single one of his employees who suffered want.

By Miss Macphail:

Q. They had not starved to death?—A. They had been always maintained.

[Mr. H. W. Macdonnell.]

By Mr. Woodsworth:

Q. Take the conditions in my own city, take the railway shops, which is the largest industry we have, with some thousands of people; those people do not stay steadily in that one position throughout their lives; they are working four or five weeks steadily, they are coming from all over the world, and they are passing from one job to another. I think that is a more typical example than the one you have suggested. That would apply more to a small industry in the East?—A. I quite agree that if a man moved about as you say he would be in a different position from the man who works for twenty years for the same employer.

Q. Do you not think some provision should be made for that class?

Mr. NEILL: He does not think so. Why not come out frankly with it.

By Mr. Woodsworth:

Q. Mr. Neill comes from a part of the country where perhaps two-thirds of the men are of that character?—A. I am in a difficult position here. As Mr. Coulter has explained, we have no mandate. The Canadian Manufacturers' Association has never considered the question.

By Mr. Neill:

Q. You say you have no mandate?—A. Yes.

Mr. NEILL: I thought we asked for somebody to represent the Canadian Manufacturers' Association?

The CHAIRMAN: He means that the matter has not been discussed as widely in the circles of the Association as perhaps it should be. No doubt it will be.

By the Chairman:

Q. As I understand it, Mr. Macdonnell, the Canadian Manufacturers' Association has no well defined or crystallized opinion upon this question?—A. That is correct. I think the first thing is to find out how many such men there are. I do not think there is anything to show at present that it is a factor of any great importance.

By Mr. Woodsworth:

Q. Mr. Coulter suggested that Canadian industry in competition with American industry would find it very difficult to stand such an arrangement as unemployment insurance?—A. Yes.

Q. Would you consider that that ought to be the determining factor, or that a prior one ought not to be the welfare of the workmen in Canada?—A. I quite agree that the welfare of the workman is one of the most important, if not the important consideration, but as Mr. Coulter pointed out, he is really thinking in terms of the workman in Canada when he suggests that to put too great a burden on Canadian industry will mean that Canadian industry will be driven out of business by American industry, and employment be lessened. As I understand it, Mr. Coulter was thinking in terms of employment and the standard of living of the workman in Canada.

By Mr. Heaps:

Q. Are not wages in the United States higher than they are in Canada?—A. It is difficult to answer that question precisely, but roughly speaking there is very little difference between them.

Q. If there is a difference, it is in favour of the United States?—A. In some grades, yes, and in some grades, no. There are wages paid to unskilled labour in certain parts of the United States which are much lower than in Canada.

[Mr. H. W. Macdonnell.]

Q. Take the industrial centres, are not wages higher in the United States than in Canada?—A. Taking it by and large, it is very doubtful.

By Miss Macphail:

Q. I do not think that the thousands of people who went to the United States think so?—A. A great many of these people went over there, not because labour was badly paid but because it was non-existent.

Q. They would not go there in such numbers if the wages were not higher?—A. They are coming back by the score.

By Mr. Heaps:

Q. What do you consider a saving wage, Mr. Macdonnell?—A. It is quite impossible to answer a question like that. It is such a big question that it is impossible to define it.

Q. In order to tide over a period of sickness, has the Council of which you are the Secretary ever considered the wage that the head of a family of five could save on?—A. No, we have not considered that, but we have considered, and it is common knowledge, that the wages paid to skilled workers in Canada, for instance, and railway workers in very many grades, in fact wages paid in whole districts, such as Ontario, are jolly good wages.

Q. We had a man from a manufacturing town in Ontario before this Committee last year, who said that the wages paid were \$15 a week, and most of the employees were married men. That was in Cornwall, two years ago?—A. I do not know about the case.

By Mr. Heaps:

Q. You speak about high wages on the railways. You know what the average wages are on the railways?—A. I do not know what the average is.

Q. The average is 56 cents an hour, I think, for all the men employed on railways in Canada, from Sir Henry Thornton and Mr. Edward Beatty down to the lowest. Our statistics show an approximate average of 56 cents an hour, irrespective of the question of the hours worked. If a man worked forty hours a week on the railway, his wages would be about \$22.40 a week?—A. Yes.

Q. Would you consider that a high wage?—A. I do not see how one can answer that question. It depends upon the sort of community the man lives in.

Q. Take the yearly average for the whole of Canada; for all persons it is \$972, according to the official figures for 1924?—A. Yes.

Q. That would be approximately \$18 a week. Would you consider that a saving wage for a man with a family?—A. Are these figures Department of Labour figures?

Q. They are taken from the Bureau of Statistics?—A. Again it all depends upon the conditions in which the man lives.

By Mr. Woodsworth:

Q. The conditions of a man living in Toronto, having to occupy an ordinary small cottage, and having to procure food such as is procurable at the shops of Toronto?—A. It is obviously not a high wage; whether it is a sufficient wage or not I could not say.

Q. I think it is a fair question that Mr. Heaps asked, whether a man who earns \$18 or \$20 a week is in a position to save and provide for periods of unemployment?—A. No, I should not think a man like that could save.

Q. If that is the average, and if that is the condition across Canada, is it not high time we took other measures to provide for periods of unemployment?—A. I repeat that before a question of this kind is decided you have to have a survey of what actually is the case. I do not think a hypothetical question of that kind gets one anywhere.

[Mr. H. W. Macdonnell.]

G. But it is not a hypothetical question?—A. To begin with, I do not at all accept these figures as an authority.

Q. You urge that this going out and looking for a job develops the character of the workman, that he has to stand up against everybody else; would you apply that to industry, if you had to go out and compete in the world market? Do you not think it would develop the character of the industry?—A. I do not admit the parallel. I do not think the analogy gets one anywhere. The fact of the matter is that if you asked industry to do that, it would cease to exist altogether. That is common knowledge, and there is no society to take care of the industry, whereas in the other case society does look after it. There is no old-age home or old men's home for industry to go to.

Q. I want to suggest, Mr. Macdonnell, that it is quite possible that if we make a plea that industry, which is a matter of dollars and cents, should be protected, on the same basis the individual workman, who is human flesh and blood, ought to be protected, and I would suggest to you that there is no such protection to-day, and that our population in this country to-day is in danger of deterioration because of these very conditions. I think the evidence supplied by social workers, hospitals and so forth, all over this country, indicates that very clearly, and I would suggest that if your association has not yet considered this matter, while we cannot do anything this year, I wonder whether it would not be possible for your association to make such a survey as you suggest within the next few months, so that we could unite on it?—A. It is obviously an enormous task. I would like to answer your question by suggesting another. If the condition is so deplorable as you suggest, why have not the labour unions made this condition public?—Q. They have done their best, I can assure you.

By Mr. Howard:

Q. There are two classes of workmen. We have the man with practically a permanent position, who works year in and year out. He is not the man who is suffering. We also have in the country what is called the floating population. I would like to ask the Canadian Manufacturers' Association to give us next year the permanent pay roll and the floating pay roll. Take my own situation. We have to have men in the lumber camps. These men come in during the summer and are employed in the building trades. Then in the fall they go back again. What I would like to know is what percentage that floating population is to the employed population in Canada. Then we can understand what percentage we are talking about?

The CHAIRMAN: How are we going to get these figures?

Mr. HEAPS: The returns from the employers might show something. Mr. Rigg took that up.

The CHAIRMAN: Mr. Rigg has to come before the Committee again. Perhaps we can get him down to final results next year.

By Mr. Neill:

Q. Mr. Macdonnell, I have followed your argument as well as I can, carefully. You came here to give us your views on unemployment, and you damn us with faint praise by saying that nothing could be done until we have definite figures. Under normal conditions, you say there should not be any unemployment. That is all very fine, but here is a question I want to ask. You said and you have repeated it twice, if not three times, that the question of unemployment should be co-ordinated with immigration. I want you to state as definitely as you can what you mean by that. Would you suggest that unemployment, whether you think so or not, is evident and extending to-day in Canada, and do you think that unemployment situation should be dealt with by reduced

[Mr. H. W. Macdonnell.]

immigration? Will you give me a definite reply, or, if you did not mean that, what did you mean by co-ordinating unemployment with immigration?—A. I do not think Mr. Neill was in the room when Mr. Coulter suggested that we had not had an opportunity of discussing this question, and had not a definite pronouncement upon it.

Q. If you cannot give the views of the Association, you can express your own views?—A. On the question of immigration, what I have said is this, that we have a sparsely settled country, with nine and a half millions of people, and that presumably employment is going to expand in this country. At the same time we are bringing in new people at the rate of one hundred thousand to one hundred and fifty thousand a year. What I had in mind was that one of the elements that ought to be taken into account in deciding this question of unemployment insurance should be that very situation, and I pointed out that it seemed an anomaly that on the one hand you had a sparsely settled population which would presumably take up any unemployment that might exist, and on the other hand you were bringing in new people and helping in what you call now unemployment. What I mean is that an Association like ours, in approaching the question would consider that as one of the factors to be taken into account.

Q. That is too indefinite. Would you check immigration to take care of unemployment?—A. I do not give that answer, because that is not what is in my mind. My answer would be that it all depends upon what kind of immigration it is. If you bring in agricultural immigrants, I might suggest this, that instead of throwing out of work men who are at present in the country, you are going to provide more work. I would not say that you can cure unemployment by stopping immigration, not at all. I would say you must consider the work of immigration entirely.

Mr. WOODSWORTH: This is what we are actually faced with. A wire to-day from Winnipeg states that normally we have from 1,500 to 2,000 men in Winnipeg out of work. One witness testified that hundreds of men slept in gaols rather than sleep out of doors. Is it not desirable that for the welfare of the whole country steps should soon be taken to so correlate our employment agencies with our immigration that that situation will be taken care of?

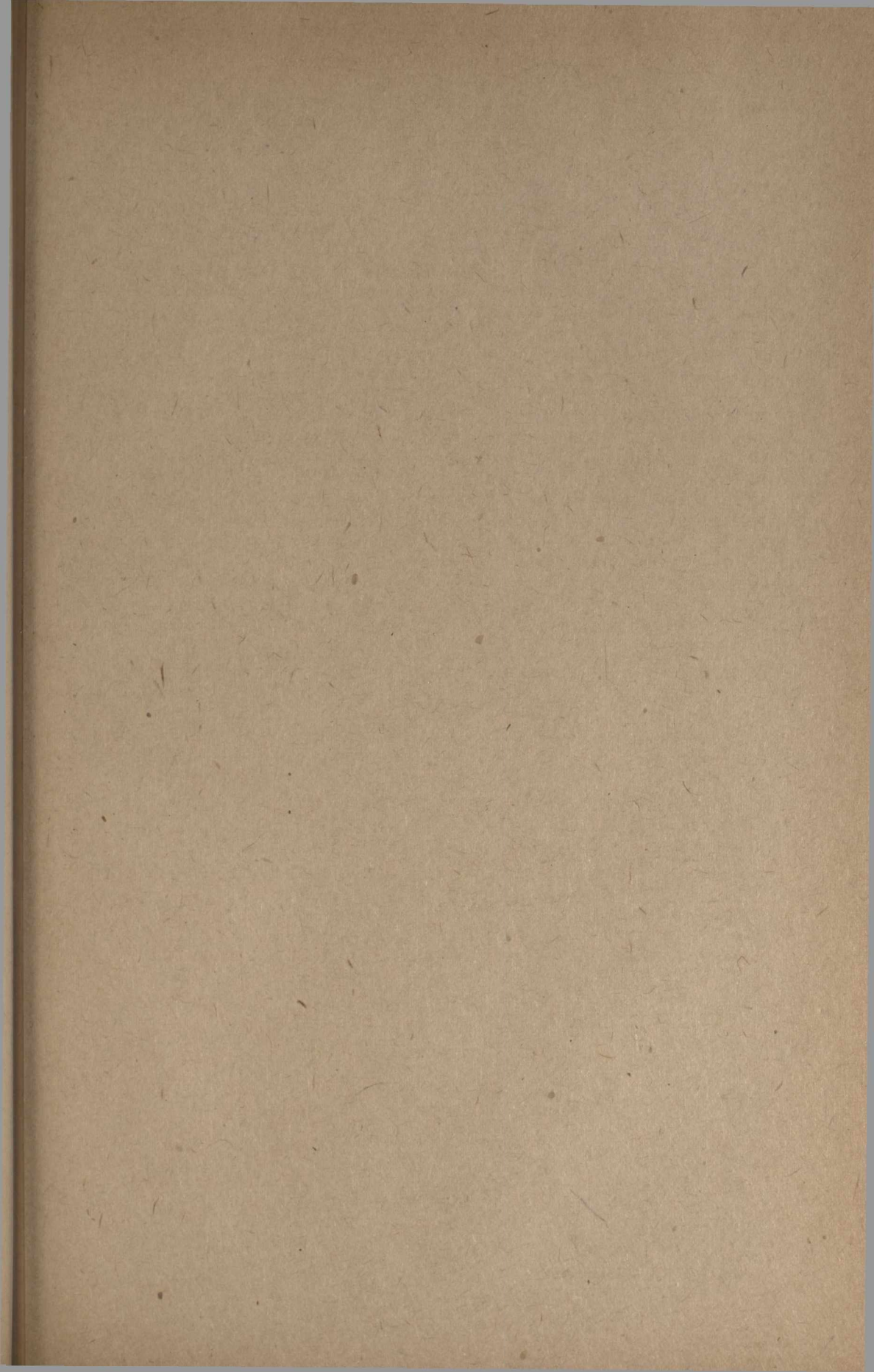
The CHAIRMAN: Is there any truth in the statement that many of these men could get work but will not take it?

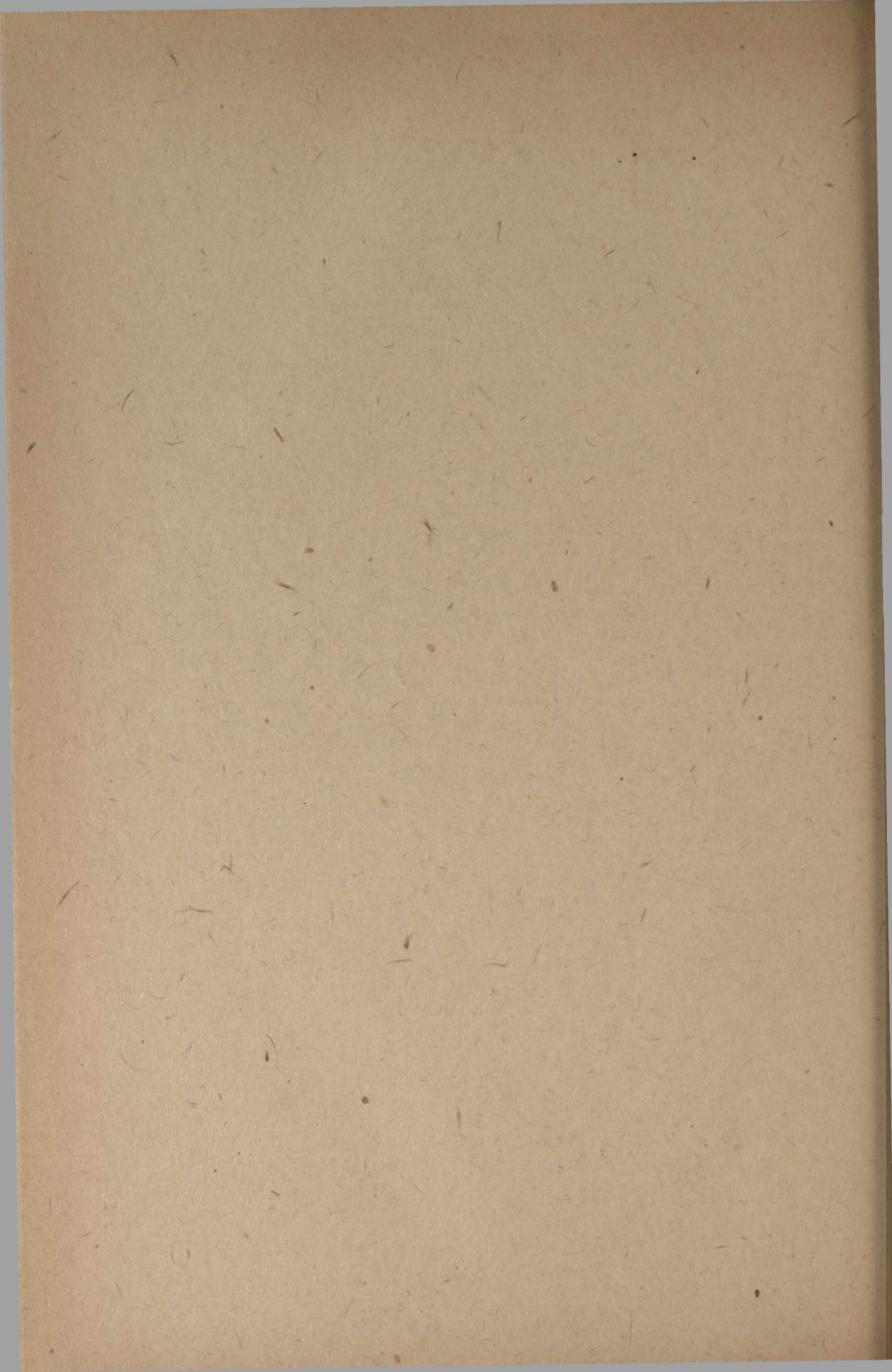
Mr. HEAPS: Some may be men who work on farms.

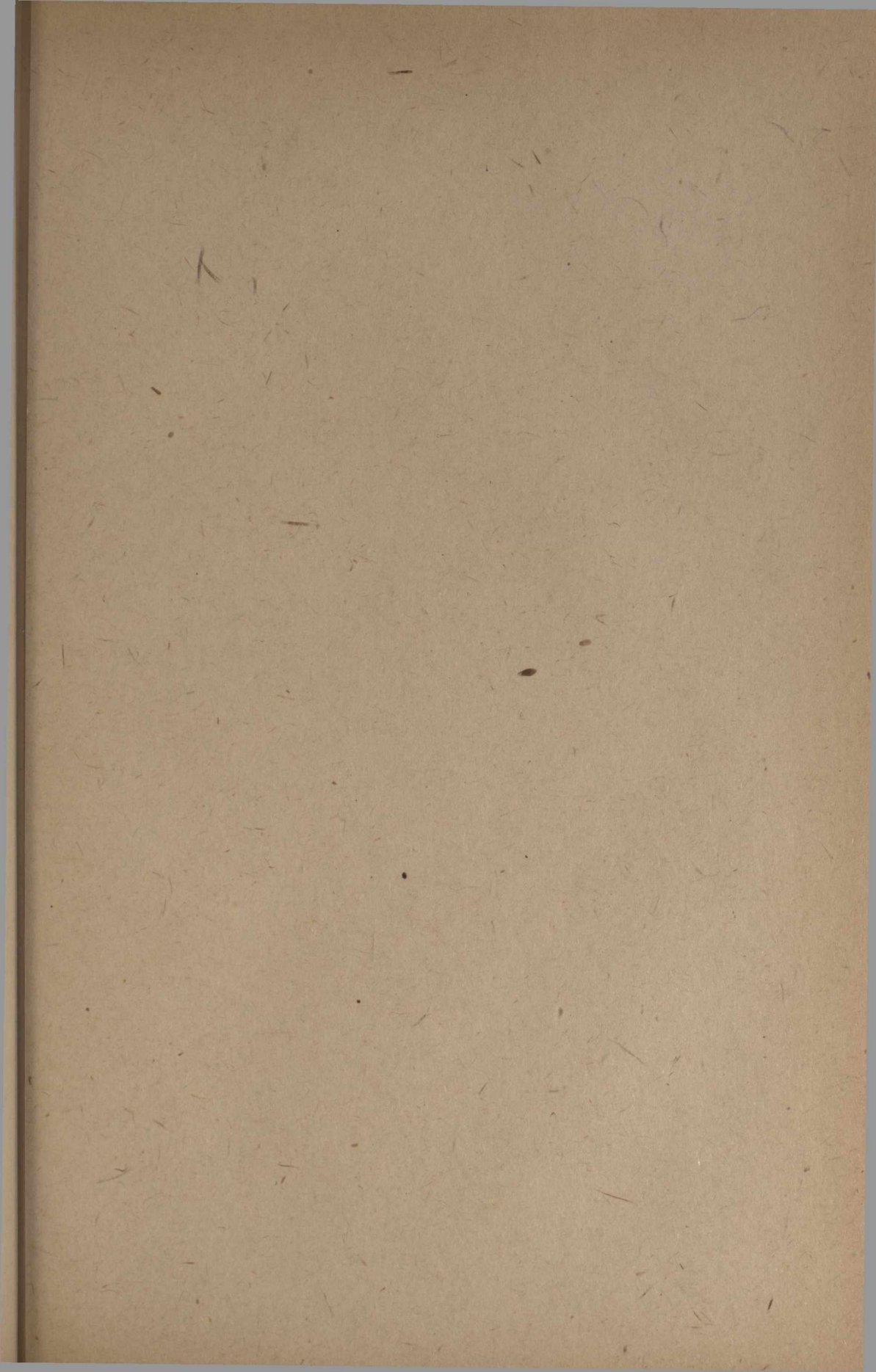
The CHAIRMAN: It is a little after one o'clock, and we had better adjourn.

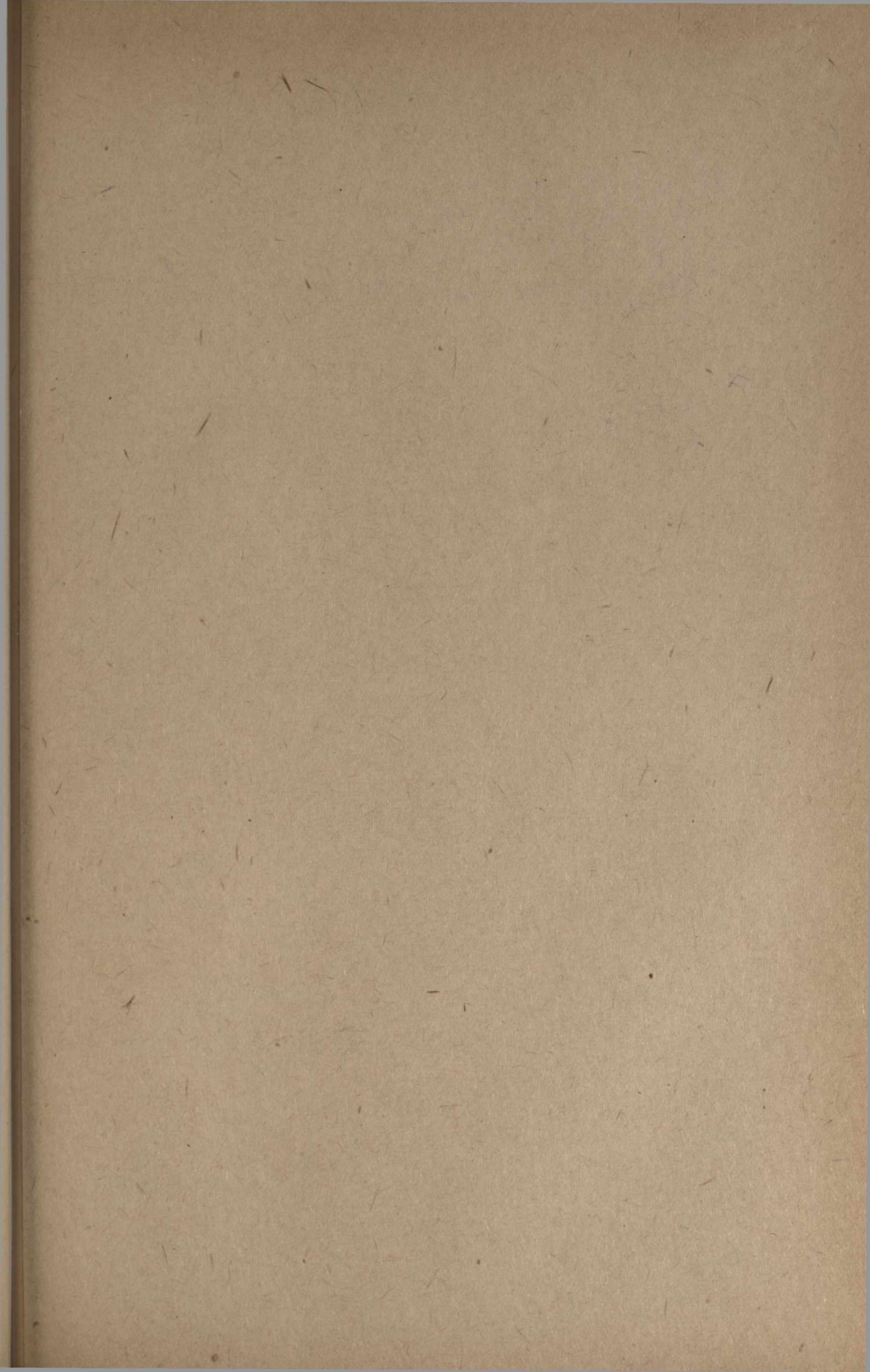
(Witness retired.)

The Committee adjourned until Friday, April 27th at eleven o'clock a.m.









SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11—APRIL 27, 1928

WITNESS:

Miss Gertrude Childs, Secretary, Social Service Commission, Winnipeg.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MINUTES OF PROCEEDINGS

THURSDAY, April 27, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11.00 a.m.

On motion of Mr. Bell,

Resolved, That Mr. St-Père act as Chairman for this sitting.

Mr. St-Père (Acting Chairman), presiding.

Present: Messieurs Bell, Grimmer, Johnstone (Cape Breton), Hall, Jenkins, Letellier, Thorson, Woodsworth, and Hon. Peter Heenan—10.

Minutes of April 24th read and approved.

Miss Gertrude Childs, Secretary of The Social Service Commission of Winnipeg, called, sworn, and examined.

Witness discharged.

On motion of Mr. Letellier,

Resolved, That Mr. A. R. Mosher, President of The All-Canadian Congress of Labour, be recalled for the next sitting of the Committee.

The Acting Chairman, Mr. St-Père, tendered the thanks of the Committee to Miss Childs for the evidence she had presented before them.

Committee adjourned until Thursday, May 3rd, at 11.00 a.m.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

COMMITTEE ROOM 375,
HOUSE OF COMMONS,
FRIDAY, April 27, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., Mr. E. C. St. Père, presiding.

GERTRUDE CHILDS called and sworn.

By the Acting Chairman:

Q. Miss Childs, will you proceed and give us all the suggestions you can in reference to the present Bill?—A. The present Bill?

Q. The Bill which is before the Committee; give us your suggestions and your opinions as to what should be done?—A. You mean the situation with reference to unemployment and sickness?

Q. Yes?—A. On the unemployment question, previous to 1920, between 1908 and 1920, abnormal conditions were supposed to arise if you had more than one hundred of your citizens out of work. In the fall of 1920 we were faced with a situation of having applications for assistance from men who had no employment and for whom no employment could be found.

By Mr. Woodsworth:

Q. Before you come to that, Miss Childs, perhaps you will tell us what organization you represent and your official position in Winnipeg?—A. I am the General Secretary of the Social Welfare Commission, which is an organization doing relief and welfare work in the city of Winnipeg, which is a public organization financed by funds drawn from taxes and which has been in existence since 1918.

By Mr. Letellier:

Q. Can you give us the number of the membership in that organization, Miss Childs?—A. It is composed of the Mayor, six aldermen, and six citizen members appointed by the Council at the annual meeting. Those citizen members are representative of a dozen groups who are interested in the welfare of the citizens. Some of them belonged to the old associated charities group. The Associated Charities was a private organization doing relief work in Winnipeg, previous to the organization of the Commission. The Commission came into being due to the fact that in the early years of the War it was almost impossible to get enough funds by private subscription, and the Patriotic Fund asked that they quit asking the public for funds to carry on this work. The Association agreed with that, and the Commission was formed. It had been formed some little time previously. The Commission was formed upon that basis. The organization first came from the membership of the old Associated Charities. That was the basis of that membership.

I was going to deal with the unemployment question first, and then come back to the whole situation of the social welfare work. In the fall of 1920, the situation arose of so many applications coming in, and so many people being in need, with no prospect of finding work for them, that the situation had to be faced, and the Commission undertook, at the request of the Council, at a

special meeting which had been called to make some arrangements for handling it. It was handled in the offices of the Commission for the first month and a half, and, on the 6th of January, 1921, a special department was opened. A registration was made of all married men who required assistance, and for the first winter assistance was given in the form of cash for food and fuel; fuel was supplied, and rents were paid where it was absolutely essential. They carried on during that winter, and the immediate need was met, the feeling of the group being that it was an emergency situation due to the return of some groups of men from overseas, and due to the depression, and it was dealt with upon the basis of an emergency situation. In the fall of 1921, we had the same situation. Our city was flooded with men who had worked in the country during the summer time, men who had had a certain amount of labouring work during the summer, but not sufficient. So we again faced the situation, and each year since that time we have faced that situation. The last three winters our special department has been open, for two reasons, one reason being that the Council felt that the time had come when single men, and married men without families, might be able to carry themselves through the winter months on the earnings of the summer. If there were no children, and the woman was fit, it was suggested that she might obtain some employment to tide them over. That made some difference in the amount of registrations. In addition to that, the single men were dealt with. In the last year we had single men registered, we had 1,999 registrations, and nearly all of them were from outside points. I think you will have to recognize that we have a peculiar situation in Winnipeg. Winnipeg is not only a distributing point, it is the point through which the western provinces return their influxes of men; not only Manitoba, but also the other provinces into which the harvesters go. The result is that the men who went farthest west drift into Winnipeg. It is the same with the bush men. They start from that point, and they return to that point, and in some way they have to be provided for.

The single man problem is with us this year, as I think you will agree. We have had considerable discussion as to what should be done with them. The situation has to be faced, because we cannot have young men without means and without work going around, without any livelihood, without any work, and without anything to eat. If they cannot get it in one way, they are going to get it in another. This season many of them have held out their hands, and others have gone from door to door. It is not only a Winnipeg problem, it is a problem for the whole country.

Lodging was given for 1,700 nights in the police station to men who went there and asked for lodging because they had no other way of providing for it. In 75 per cent of the instances they claimed to belong to Winnipeg. The rest of them came from outside points, and many from eastern points.

By Mr. Woodsworth:

Q. Have you the figures as to the individual cases relieved?—A. That report was being worked out when I left. In the group of 1,700 nights' lodging there would be 800 or about one-half young men. A young man goes to the police station and asks for a night's lodging. When he does that, he is at the very last edge. If he can secure it in any other way, he will not go to the police station. It is not to be supposed that he wants to go there, because on the third time he asks for a night's lodging he is charged with vagrancy the next morning. It is not fair for anyone to have to go to gaol because he is not permitted to provide for himself.

The situation with regard to married men with families has considerably reduced since the winter of 1920-21, but it is still a problem. I have not got the figures for this year, because it is not yet closed, but I have the figures for last year's registrations, which I thought you might be interested in. Five

[Miss Gertrude Childs.]

hundred and seventy-eight families were dealt with, as compared with eight hundred and sixty-eight the previous season. The total number of persons assisted, including children and wives, was 3,167 as against 4,662 the previous season. The relief was given last year during the period from November 1st, 1926 to April 15th, 1927, that is, according to the report as forwarded through the Provincial Government, for this reason, because the Provincial Government has participated in the amount of assistance being paid. As a matter of fact, for the last two years assistance has been given during all the summer months to an occasional family, it is out of the question to do it in any other way.

The situation has to be faced. If you cannot give a man work, you have to make some provision for him. Two hundred and seventy of that group registered for assistance before January 1st. This last fall we had a similar situation. We had little snow, which meant that nobody could get out to the country, and we had a cold early part of the season. That always complicates the situation. We opened our department earlier this year than we did the year before.

Q. When you say, out to the country, do you mean bush work?—A. Yes. That applies to only a small group, because bush work is not available to the larger groups. Bush work is only available to the young, strong men. A man between fifty and sixty years of age is past the stage when he can do bush work. We have not made any attempt to send a man over fifty years of age out into the bush, during the last winter.

By Mr. Bell (St. John-Albert):

Q. What is that work?—A. It is cutting cord wood out in the bush. The city has opened a camp during these years. We do that for two reasons; one is on the basis of the work test, the other is on the basis of giving a man an opportunity of earning a little money. Provision has been made for food and fuel. The question of rent has been before us, and there has been considerable discussion over the policy which has been adopted, that rent would not be paid unless an eviction order was pending. Provision was made for that, even if a man was earning but a small amount; a portion of it was devoted to the payment of rent and for the providing of fuel and food. During the last three years we have adopted the policy of putting crushed stone on the roads during the winter months. Last year we averaged thirty-five men on that work, and they were paid on a basis of 42½ cents an hour. Their earnings were supposed to support a family according to the budget laid down, as far as it would go; if a man's rent was getting very far behind, we would put him on the crushed stone work. Every able bodied man we have, we try to find work for, as well as partially unfit men. Then we have our wood yard work. When we discontinued the single men, that work was turned over to the married men. Wood used to be cut during the winter months and used for social welfare. It is not, however, economical to cut wood by hand, but it is one way in which you can keep in touch with those who are out of work, and it also tends to keep the men a little bit fit, better than if they had nothing whatever to do during the winter months. The men who are unfit to cut the wood by hand we call pilers. They pile it up in piles; they prepare say half a cord of wood for the other men to saw and they also load the wood as it goes out for delivery. During the summer months that wood is delivered by our own trucks, and during the winter months when the wood yard superintendent is in charge of the work test, the wood is put out and a contract made for the delivery of the wood. That group of light workmen are pretty hard to adjust, and some of them we carry pretty well during the summer. You have to face the situation now that everybody wants the most they can get out of the men they employ, and they choose able-bodied, fit and experienced men. Nowadays no bush man will take an inexperienced man to his camp; he wants a man who is going to make money for

[Miss Gertrude Childs.]

him. With our city camp, it is opened definitely on the basis of an outlet for unemployment. It does not pay. We have a deficit this year. We have had some men this year who did not make their board and lodging. It is a small amount, running up to about \$300, so it does not amount to very much. The men were willing to do the best they could, and that was all we could ask of them.

By Mr. Letellier:

Q. What is the wood used for?—A. It is used entirely for the families who are getting assistance from the city, for fuel. It makes a complication there, as well, in that coal would be more economical and would be much easier to use, especially for social welfare families, where there is no man in the home. In a great many instances we have thought it advisable to get them wood or go on a work test basis. It had a special advantage in the case of single men, because the single man's attitude is a little different from that of the married man, which is logical; he has no responsibilities and takes life a little bit easier. A good many of them prefer not to go there to work, and if they do have to go there you can pretty well realize that they are absolutely to the stage when they will take anything they can get in order to provide themselves with something. That is true of the larger group. The number who are not willing to take any work they can get, you can count on your hand; that is an absolute fact. I have been in close contact with it. Every family we have has been visited and investigated, we know their earnings for the past year, we have their work record, we know the conditions in their homes, and in a good many instances conditions in the homes are not what they ought to be. If they have had only partial employment over the period from 1920 to 1928, they have during the summer months only barely enough income to provide food and shelter, and sometimes not that, sometimes the rent is four or five months behind. We have come across cases where the rent has not been paid for a year. We have some long-suffering landlords. If that is so, and there is not sufficient to supply food and shelter, what about clothing, what about dental care, what about medical bills? Children require care, and a good many of these children are not having the opportunities they ought to have. I think you will agree with me that the ideal is that every man should have an opportunity of providing for his family, not only the necessities of life, but some recreation, some kind of education, proper housing and medical care. That is something which is a sore spot with a good many. No man wants to see his wife receive free medical care, if he can provide it for her. It is hardly fair to the woman. In a great many instances you can get just as good free care as you like, but it is not the same as though it came from your own earnings. The idea is, that every man wants to provide for his own family.

Many of these homes are getting below the standard. If we are going to get anywhere, we will have to keep our standard up. It is easier to prevent slums than to get rid of them. In addition to the public relief that has been given, we have to provide clothing for children through private sources. We have a Women's Council, who collect clothing and furniture. That is another thing that should not be necessary for an able-bodied man to have. He should be able to provide it himself, but pending the time when he is able to provide it, there is no alternative but to use what resources you have to the best advantage, and do what you can. Then we have the proposition of the men who start married life with nothing at all. We have gotten away from the old fashioned days, when the father handed down to his son a start in life, where the young couples were started off with the help of parents on both sides. We are away from that now, in the labouring classes; it is not done any more.

[Miss Gertrude Childs.]

Our standards are going down, and that is something we ought to face and fight, because in our new country it is not good enough. How we are going to do it, is another question.

You might be interested in the distribution of that group, with reference to the nationality. First of all, we will take the largest. During the winter of 1926-27 we had twenty-five between nineteen and twenty-five years of age, we had 272 between 26 and 40, 194 between 41 and 50, and only 70 between 51 and 60, and 17 over 60. Now, we in the Social Welfare Commission have accepted a man over 60 years of age, who reports that he is now unfit for labour, as a social welfare problem, not as an unemployment problem. We have had to make a dividing line. We have a large number of men who are a little over 60 years of age, who are unfit, and who are not going to be able to find employment.

We have reduced the rates for unemployment relief to a family which has not resided in Winnipeg for one year previous to the application. The basis of that was that during the previous years we found that families came into Winnipeg in the fall. The logical thing was, that they were living in the country and saw no prospect of providing for themselves during the winter months, they would move in and apply to the municipality for assistance immediately. That is a complication arising from families moving into Winnipeg in the summer months, when they could be housed in the country, or upon property on which they had made some payments. The City Council decided that they would not deal with those families again. No proper provision is being made for them, at the present time, by the outside municipality, who claim they are not in position to provide anything. Winnipeg has the name for giving sufficient food and fuel, therefore, they come in. That policy has been adopted, but it is not ideal by any means, and sooner or later an adjustment will have to be made. The suggestion has been made that some legislation be provided whereby assistance could be given to these families by outside municipalities, and that provision be made for the collection of the cost of maintenance from the outside municipalities. Naturally, no small municipality is going to take on an obligation that it can evade. We have a lot of them who do make a certain provision for the families living there, but that provision cannot be adequate. In the first place, they have no organized way of dealing with them, and, in the second place, funds are not available to any extent. It is quite possible that they are quite willing to have these families come into the city.

This is the residential period in Winnipeg. We deal with no family who has not been there one year. We had two who were in two years; ninety-eight from two to ten years, and four hundred and seventy-eight who had been over ten years.

Then we have the residential period in Canada. We have refused to give assistance to families who have been in Canada less than a year, with the exception of emergency assistance, where we ask the Immigration Department to adjust those cases. We had two who were under two years in Canada; forty-three who were between two and ten years; five hundred and thirty-three who had been over ten years.

When it comes to nationalities, I think this is interesting. We had thirty-three Canadians; one hundred and ten English; sixty Scotch; forty-one Irish; seven Welsh; one American; thirty-six German; seven French; eleven Russian; two hundred and three Austrian; twenty-four Polish; four Jewish; and forty-one mixed Russian and other nationalities.

There is a situation there that is interesting. Previous to the war these men were admitted to Canada on the understanding that they would be agriculturalists. There was considerable sewer and construction work going on, and wages looked pretty good, even though they would be small to the British

born. They looked pretty good to them, and the result was that they stayed in the city. We have the complication of a large number of experienced farmers from other countries who are in Winnipeg, and who are working at day labour during the summer, and who have nothing to do in the winter. We have made a definite recommendation to the House for the last three years that some provision be made to establish these men on farms. They are acclimated and know what our country is, and they would make good farmers, if there was some opportunity for them to get on the farm. If some money were provided to adjust them on farms, to my mind it would be better than spending money on bringing those in who do not know our ways, and what our country means. They are not nearly so well fitted to look after themselves as is this group.

We have a special complication in the city of Winnipeg with families who have come out to go on the land, particularly British born families with one child. They are placed, through the Immigration Department, with a farmer for the summer. They may be there two months, or they may be there three months, and at the end of the season they are turned loose. They do not belong anywhere, and they have nowhere to go. A man and his wife, with no children, may go on a farm, but the situation is complicated when the children come, because a farmer's wife does not want them. How are you going to adjust them? Just before I left Winnipeg I had a letter from a woman in the country asking if we would give her some advice as to how she could arrange for the adoption of her baby, not yet born. She already had one child which was being cared for by her old parents. She and her husband were employed on a farm, and the farmer they were working for said that he would not have children in the home. She said, "I see nothing else for it but to have the baby adopted, to allow us to stay where we are and earn our own living." That is not fair, but how are you going to adjust it? As long as you are going to bring families into the country for whom no provision is made for their adjustment in the country, you are going to be up against this situation. It is becoming more complicated each year. We want these children. We want a population of the right kind, and it would seem better to bring in a population which could be assimilated and properly adjusted, instead of bringing them in and just passing them through.

As far as the Department is concerned, their attitude is that they have made a placement. To be frank, we are hounding them. I have copies of three hundred letters that have been written to the Immigration Department last year. "This family came to Canada on such and such a date, on such and such a steamship, and came inland over such and such a line, and were sent to such and such a place. They were not needed after a certain date, and have come back to Winnipeg and have no way of adjusting themselves. What are you going to do about adjusting them?" I think that is a serious situation.

By Mr. Letellier:

Q. It was reported to me not very long ago—I do not know whether you are aware of it—that a certain number of men who were without employment were offered \$10 per month and their board to work on farms, and they refused.—A. I have no knowledge of any men having refused that work. That would be single men. It is unwise to ask a married man with a family to take a job under those conditions. A single man can adjust himself during the winter months, with board and lodging and \$10 per month, in preference to being dependent on us. The attitude of our group is that where a single man has no other way of providing for himself, in preference to having assistance, he should accept farm work at a wage not less than \$10. We do not consider \$10

[Miss Gertrude Childs.]

adequate, but the Committee feels that if nothing else is available that should be taken. We have a program of asking that farmers needing help get in touch with us, and we try to adjust them.

We have started a little employment office. There has been some criticism of that, but our object is this: we try to place a man in a job that he is fitted for, and where he can give satisfaction. During the past two years we have carried through the summer months, as well as in the wintertime, a man whom we call an employment clerk. His job is to go through the city to the employers and find out when their busy time is, and what type of men they are going to need at that time. He keeps in close contact, through the office at the Wood Yard, with the men who are requiring work, and we try to adjust them.

You might say, "Why do they not use the Employment Service of Canada?" The Employment Service of Canada posts jobs, and if you happen to go there and grab a job, if there happens to be one, it is all right. But you may stay there for days without a job. We have men that go morning after morning at four or five or six o'clock. They leave home and they go from place to place, and wind up at the employment office when it opens at nine o'clock. Day after day these men have to go back to their families and say that they have not found anything. To me, that is a thing that breaks a man quicker than anything.

Q. Would these men have the experience to take up farming?—A. A good many of them have. With the case of our Central European immigrants, they are all brought up on the land. This is not true of the British who come from the small towns. It would have to be limited to the group who have experience, unless provision were made whereby some training and supervision could be given. I have a table here of the group who have experience in farm and bush work.

You might be interested in the number of children in that particular group of registrations. There was a total of 2,026 in 1926-27, and a total of 2,941 in 1925-26.

In 1925-26 we had 2,764 under sixteen years of age, 102 over sixteen years, and 75 workers. In 1926-27 we had 1,885 under sixteen years of age, 77 over sixteen years, and 64 who were working.

We have a table on housing, which is another complication. In 1925-26 we had 261 renting houses, 511 in rooms or suites, and 88 who owned their homes, or who were buying them. In 1926-27 we had 228 renting houses, 295 in rooms or suites, and only 55 who were buying property.

In the number of rooms occupied, in 1925-26, we had 55 in one room, 155 in two rooms, 217 in three rooms, 373 in from four to six rooms, and only 60 who lived in over six rooms. In 1926-27 we had 39 in one room, 99 in two rooms, 145 in three rooms, 245 in from four to six rooms, and 50 in over six rooms.

By Mr. Woodsworth:

Q. In the case of over six rooms?—A. That would be a house.

Q. Would there be lodgers as well?—A. Quite possibly. When all is said and done, a six-roomed house does not provide anything more than the necessary sleeping accommodation for a family with four or five children. The tragedy of this is that we have this large number of people living in one room. They all had families of at least one child, and that is not anything like an ideal condition.

By Mr. Heaps:

Q. Have you a table there giving the length of time these people have been in Canada?

MR. WOODSWORTH: It was given before you came in, and it is on the record.

[Miss Gertrude Childs.]

The WITNESS: Then we have the question of the knowledge of farm or bush work. In 1925-26, 550 had knowledge of farm and bush work, one had knowledge of bush work only, and 317 with no knowledge. In 1926-27 we had 420 with knowledge of farm and bush work, 9 with knowledge of bush work only, and 149 with no knowledge. I think we ought to take this into consideration, with reference to that table. We register no man who is not willing to accept any work that is available. He is asked, when he makes his application for registration, if he is willing to accept that work. If he is unwilling he is told that assistance is only being given to those who are willing to do anything that is available. You will see that this registration is limited to the group who are most anxious for anything that they can get.

In the occupations, for 1925-26, we had 637 labourers, 94 of the building trades, 99 of other trades, 17 professional, 13 clerical, and 8 with no record. In 1926-27, we had 432 labourers, 41 of the building trades, 94 of other trades, 2 professional, and 9 clerical. There is a condition here, with reference to the clerical men. They do not apply if they can borrow or drag along in any way. The clerical man is very hard to adjust these days. When he is not young, or what is considered young these days, he has very little chance.

Then we have a division covering the returned soldiers and civilians. In 1925-26, we had 158 returned men, and 709 civilians. In 1926-27, we had 104 returned men, and 474 civilians. During the winter months the D.S.C.R. looked after any unemployed who have pensions, but when they close down on the 15th of April they absolutely refuse to deal with anybody. There has been considerable discussion as to whether or not the city of Winnipeg should deal with families who have been cared for by the D.S.C.R. during the winter months. The basis of that discussion has been that if they needed assistance, then why should they not carry them through until adjustments could be made.

Then we have the question of mental cases. Just before I came away we had one man with a wife and seven children, who has a five dollar pension. He is a mental case, and it is almost impossible to place him. It is almost likely that he will never be able to secure anything except very temporary work. He does not come under their category, and he cannot prove that his mental condition is due to war service. He is just discarded. We have made an exception in that case, and in one or two other cases of that kind, because of the children. What are you going to do? The D.S.C.R. say quite frankly, "As far as we are concerned, these children will have to go without food; we cannot supply it." That is the complication there, and it is a very serious one. Somehow or other, it has got to be met.

Then as to the amount of rent paid by these families. In 1925-26 we had 476 paying under \$15, 252 paying between \$16 and \$25, 36 paying between \$26 and \$35, 8 paying over \$35, and 88 that owned houses. In 1926-27 we had 315 paying under \$15, 166 paying between \$16 and \$25, 28 between \$26 and \$35, 14 paying over \$35, and 55 that owned houses.

Families who receive assistance through the Social Welfare Commission have a lien registered against their property for the assistance given. That is not on the basis of taking advantage, but rather for protection. Manitoba has no law whereby children are obliged to support their parents if they are able. Occasionally we have had families where the property is owned by the old people, and where the children are in fairly good circumstances. It has been felt that some provision should have been made by them for the old people. That is an exceptional case, because, in most instances, men who are bringing up families have all they can do to look after their own. It is because of that that the provision was made. The city expects, when the old couple do not require their property, that some return will be made from that, instead of the property being turned over to the children who had not provided for their parents when they were able to. You must remember, however, that these are the exceptional cases.

[Miss Gertrude Childs.]

By Mr. Woodsworth:

Q. That probably would consist of some little house?—A. Yes, the place they were living in. We have occasionally some one who comes to us with property which is clear, and they say to us, "Will you carry us? We have no income. Will you provide us with what we require to live on and when we are through with it you can take the property." The city has no power to take property.

By Mr. Heaps:

Q. The Committee is considering the question of sickness and unemployment insurance. Have you ever given any thought to that question in relation to this unemployment situation?

By Mr. Letellier:

Q. Before you leave that, are those houses of which you spoke situated very far from the centre of the city, and is the renter put to much expense to reach his work, by tramways or otherwise?—A. The large proportion of the labouring group live in the outlying districts of the city. That means they have to spend carfare to get to their work, unless they have wheels. A good many of our people, especially our foreign born, have taken up the attitude that when they come to Canada they will own something, and they have taken in lodgers, and deprived themselves of everything but the bare necessities so that they may have something which belongs to them. That is a peculiar part of our situation; we have a large number of homes which are bought and paid for on that basis, and they are mostly in the outlying districts, which are available, because property is cheap out there.

Mr. WOODSWORTH: I was trying to follow these tables, and I would suggest that we finish the tables.

Mr. HEAPS: I do not think the tables are telling us, in giving the rents paid by the Social Welfare worker, anything that affects vitally the question of unemployment insurance.

The WITNESS: This is entirely unemployment with which I am dealing.

Mr. WOODSWORTH: I think it would be well to have an analysis of the situation before we deal with the remedy.

The WITNESS: "Classification of Income." In 1925-26 we had 64 with children working and 30 with income from roomers. In 1926-27 we had 13 where the wife was working, 56 with children working, and 49 where they were roomers, and 4 with incomes from other sources.

"Period of Unemployment." In 1925-26 there were 221 under one month, 263 under two months, 315 from 2 to 4 months, 57 over 4 months, and 12 with no record. In 1926-27 we had 140 under one month, 179 under 2 months, 186 from 2 to 4 months, 33 over 4 months and 40 with no record.

Now, a labouring man lives on his pay cheque from pay to pay, and he does not have a surplus, but is more often behind so that when a man is out of work, he is just out of work and that is all there is to it, and he is up against it.

By Mr. Heaps:

Q. That refers to the length of time before he comes to you?—A. Before he makes application for assistance.

Q. It is not two months, for instance, in the year, but just prior to his application?—A. Just prior to his application.

"Period of Relief." In 1925-26, one week, 192; two weeks, 83; 3 to 4 weeks, 171; 1 to 2 months, 155; 2 to 3 months, 102; 4 months, 32; over 4 months, 56. 77 had no relief that year; they registered for work only.

In 1926-27, 82 had relief for one week, 25 for two weeks, 54 for 3 to 4 weeks, 108 from 1 to 2 months, 161 from 2 to 3 months, 81 for 4 months, and 19 over four

[Miss Gertrude Childs.]

months. 48 had no relief. The group which had no relief had none for this reason; they were placed on the crushed stone work and drew their pay. They carried themselves on that basis. That work was reserved for the men who had to have relief or be adjusted in that way. We tried to keep as many from having relief as possible by switching them over on to that work.

"Rent Paid." 17 had one month's rent, 851 had no rent paid in 1925-26. In 1926-27, 6 had one month, 2 had 2 months, and 570 had no rent paid.

"Physical State as declared by Applicant." In 1925-26, 854 reported in good health—this is taken from their statements—4 were fit for light work only, 2 were crippled, 2 had hernia, 5 had rheumatism, 1 had war injuries. In 1926-27, 510 were in good health, 13 were only fit for light work, 9 were crippled, 6 had hernia, 12 had rheumatism, 12 had chest trouble, 6 had war injuries, 2 had V.D., 2 mental, and 6 had heart and stomach trouble.

By Mr. Heaps:

Q. Is that the statement of the men themselves?—A. Of the men themselves.

Q. Do you remember the cases where you sent the unemployed down for a medical examination?—A. Any man who says he is unfit for heavy work is definitely asked to go to a hospital and get us a report. On our report, in addition to the diagnosis we asked "Is this man fit to do bush work? Is he fit to cut wood? Is he fit to split wood? Is he fit to pile wood?" You have to divide these up. You cannot ask a man to go to the bush who is unfit to do so. There is no reason why you should, and the same is true on the other bases of work, and you have to divide up the men who are doing piling, for instance, from the men who are fit to do other work.

Q. How many do you send in any one year for medical examination? Have you a report of that?—A. The only thing I can say is that last winter 510 of those who came to us said they were in good health. Sometimes they make that statement, but when it comes to a question of bush work, we find they are not fit. Through the winter they have the complications of people with bad colds or the flu or other things which come up during that season. You are bound to have those, and there may be a period of time when they are unfit for other work.

"Physical State of Wives and Children as declared by the applicants." In 1925-26 there were 843 in good health, 12 where the wives were sick, and 5 where the children were sick. In 1926-27, 447 were in good health, in 87 the wives were sick, and in 44, the children were sick.

The basis of that is that a man is not expected to leave the city for work if his wife is not in fit condition to be left.

"Classification of Disposition." In 1925-26, 3 got work in the city, 5 farm work, 6 bush work, 33 were given transportation to work, 62 secured work, and in addition to that 299 just drifted off and adjusted themselves; 386 were discontinued, 26 were transferred to Social Welfare Commission as being unfit to be called unemployment cases, and 48 were cut off, having refused work which offered. In 1926-27, 2 got city work, 5 farm work, 10 bush work, 8 were given transportation to work, 65 secured work, 308 drifted away and did not return, 155 were cut off, 25 were transferred to the Social Welfare Commission, and 4 refused work.

In regard to that refusal of work, I think you have to take into consideration that that would not be work in the city but would be country work with no city work available.

Q. Were you in Winnipeg recently when there was a large number of unemployed who paraded the streets?—A. The first parade was on Friday morning, the day I left. The situation, as near as I can get it, is this: we had collected in the city the men who had come back from bush work, and we had

[Miss Gertrude Childs.]

the single men who had been hanging around all winter—a good many of them. There was also an odd married man whose understanding of the thing was that because the woodyard was closed, relief was discontinued. That was a question of misunderstanding, because we have not made it a policy, even when we closed down the woodyard—we closed down the woodyard on the basis that a man then has to spend all his time to get work, and there is no use closing it down until there is some prospect of his getting something, and he can then spend his whole time chasing.

Q. Every season we have an abnormal situation out there?—A. We have two seasons—

Q. When I said “season” I meant two periods of the year.—A. Yes, two periods of the year when we have them in from everywhere. They are not Winnipeg residents, but men who come there in the hopes of getting something or getting out to something, and no provision is made for their care.

By Mr. Woodsworth:

Q. I asked the question in the House of Commons the other day concerning that situation, and the Minister of Immigration replied that his information was that these men would not take work, although offered.—A. To my knowledge, outside of these four or five who have refused work—of course, we do not deal with single men and there is a possible chance that there are a certain number of single men who refused to go to farm jobs on account of the small jobs, not because they did not want that work particularly, but they thought they would have prospects of something better, and if they accepted work on the farms, they would be stuck there, and they felt there was a prospect of their earning more than in farm work during the summer.

By Mr. Heaps:

Q. A single man offered a wage of \$10 a month on a farm feels that while he is on the farm he may be missing an opportunity of something better?—A. That is the basis of that.

Q. That has been the experience in the past?—A. Yes, that has been the experience in the past. As a general rule that \$10 wage is offered during the winter months. It is a different proposition than it is in the spring when there is a demand. You must face this complication that the jobs throughout the country are picked out for the immigrants coming in. The farmers are asked if they will take the men, and their applications are picked out and held for these immigrants. Every immigrant who takes a job in the country keeps out of that job a man who has been in the city waiting for it.

Q. I think you will have to give that information to the Committee inquiring into immigration.—A. I would like to give them considerable information.

By Mr. Woodsworth:

Q. Mr. Forke evades responsibility on behalf of the Immigration Department on the ground that there are very few recent immigrants in that situation.—A. There may be very few recent ones, but you have the complication of the others who never were adjusted. I do not see how you will get out of that until you have a definite policy of the Immigration Department taking responsibility until the family becomes domiciled.

By Mr. Thorson:

Q. Who do you mean by “they”?—A. The Immigration Department. At the present time they just side-tracked it. I have copies of over 300 letters I wrote last year of families who came to us under these circumstances, who became public charges, and are likely to remain so in a great many instances. How to get that information across is something I would like to know.

[Miss Gertrude Childs.]

Mr. HEAPS: We will have to see if we cannot get you to give evidence before the Committee investigating that at the present time.

The WITNESS: That information is available for the past five years. I have copies of every letter I have sent out on families to the Immigration Department. It is not a business of adjustment, it is the business of trying to get them to see that a family cannot be adjusted. They bring them in for agriculture, but they never stay; there is no provision for them to stay.

By Mr. Woodsworth:

Q. The Immigration Department sometimes uses the figures of your Commission for preparing data for the province of Manitoba.—A. That is due to the policy—

By Mr. Thorson:

Q. To what policy?—A. That we do not deal with the families who have been less than one year in the city. The fact remains that we get the complication later.

By Mr. Woodsworth:

Q. There may be a large number of unemployed immigrants in Winnipeg without their coming on to your books?—A. Absolutely. These figures deal only with married men with two dependents who have at least one year's residence in the city.

By Mr. Heaps:

Q. And no tabulation of any others?—A. No real tabulation. Some we come in contact with, with whom we deal only on the service basis.

By Mr. Woodsworth:

Q. From your general knowledge are there unemployed immigrants who are in need of help in the city of Winnipeg who have been here less than one year. Do they ever come to your knowledge?—A. They come to our knowledge, and so far we have been able to make an adjustment with the Immigration Department. As a matter of fact the Immigration Department send them to us to try and evade the responsibility, and we give them a letter saying that in view of the fact that the family has been in Canada less than one year we are unable to assist, that they are the responsibility of the Department, and we send them back. Occasionally one has been taken in and sent out again, but the weakness of that is in sending them out for two or three months, with no definite placement made. We had one instance of a man last year whom we sent out. His uncle had signed his application, and when the immigrant arrived in Canada with three children, he found that his uncle was working for somebody else and had nothing for him to do. The man took a job in the mines for a while and then drifted into Winnipeg and could not adjust himself. There was a complication in that case of a child being held at the port due to mental deficiency, and the mother and child were sent back. Finally the three boys were placed in an institution while the father tried to get work, and eventually the whole family went back.

The ACTING CHAIRMAN: The time is advancing, gentlemen, and I think it would be more in order to ask the witness her opinion about the unemployment insurance, which is the subject matter of our order of reference.

The WITNESS: I have not gone into the question of insurance and neither has it been discussed in any shape or form. I know that is something for which provision must be made. There is no question about that. What is the best way to make that provision and where is the best place to put that responsibility, are big questions. In so far as responsibility is concerned, I think you will agree

[Miss Gertrude Childs.]

with me that you cannot place it all on the municipality. It is not the municipality's business. It rests on two places, first on the Immigration Department. There may be some instances where family assistance can be given and adjustments made, but at the present time it is very complicated and not confined to any one spot.

The ACTING CHAIRMAN: Are there any questions from any member of the Committee?

WITNESS: There is the sickness question in addition to these, which we have not gone into at all. A large number of the cases which come before the Social Welfare Commission are due to sickness. Under our present Child Welfare Act, if a man has total permanent disability the family are given an allowance. But you have to have total permanent physical disability, while the man may have a mental disability. In tuberculosis cases you do not get any doctor unless at the very last. To do that, the man has to have a total permanent disability. During the past year, we have had more than one-half of our assistance divided into three parts, general sickness, old age, and then a mixture of desertions and that type of case, but about one-third for straight sickness, one-third for old age. We have the proposition of old age, of taking anybody over 60 years old, who is not fit. As far as old age pensions are concerned, they are not going to relieve our situation in the Commission very much. The majority are people of between 60 and 70, and it is going to be a long while before they get anything. Then we have the complication of the railways laying off their men at age 65. We have had some of those old employees coming to us, who were laid off, and who claimed that they were fit to carry on their work as they used to. It is absolutely impossible to get any employment for those men. Then we have young labouring men who are bringing up families, who cannot make any provision for their old age. The children are not in a position to take care of the old people, and at 65 they are shut out. What are you going to do about it?

By Mr. Woodsworth:

Q. Do you remember the time, Miss Childs, when in Winnipeg there was no provision for mothers' allowances; how were the widows and children cared for at that time?—A. Through the Social Welfare Commission.

Q. Did the mothers' allowance arrangement lessen the burden of the Social Welfare Commission?—A. No, in this way, because the case load has grown from year to year. Our case load is growing from year to year. We transferred a certain number. In our department we are still carrying on, and our case load is increasing every year.

Q. But that one group did lessen the work of the Commission?—A. It lessened the responsibility of the Commission. The funds came from another source.

Q. On that point, do you consider that it is better that the mothers and children should be provided for through mothers' pensions, or through charity?—A. Absolutely through pensions.

Q. That is one group that has been taken care of?—A. Yes, for more than one reason.

Q. Can you give us those reasons?—A. First of all, if you give assistance to any family you destroy initiative. A family which is just handed things loses initiative, there is no doubt about that. You take to a certain extent their self respect from them. Then if the unemployment in Winnipeg or throughout the country could be provided for by a general unemployment pension scheme, would it relieve your Association?—A. Absolutely.

Q. Have you any idea to what extent, supposing the whole of your figures were correct; I suppose the whole of your figures come in there?—A. The whole of my figures would come in there. If you take the whole unemployed group under that, they naturally would be transferred. Take the other instance, the

[Miss Gertrude Childs.]

widows' pensions, that only applies to widows with more than one child under fifteen years of age, who had been at least two years in the province previous to the death of the husband, where the father was a British subject and where the children were under fifteen years of age, and where there was no sufficient income from the children to maintain them. The other thing is a different proposition altogether? You have the whole group. We are carrying widows not eligible for pension; we are carrying widows from other provinces, and have carried them for years; we are the only people who could make provision for them, so we carry them.

Q. In the case of the unemployed, it would mean virtually the carrying of the whole unemployed group to the other scheme?—A. Yes.

Q. Obviously that would relieve you financially to a very large extent?—A. Absolutely.

Q. Can you name any other advantages to the people, in that regard?—

A. The advantage of having people look after themselves is a big one.

Q. Can you enlarge upon that?—A. I feel very strongly upon that point. You talk about the dole. We dole out food and fuel. Our whole figures will show that it is a growing proposition. It was being done on that basis, and it was not at all satisfactory? There was no call for initiative. They slump under it. They feel that it is objectionable, as a last resort.

By Mr. Heaps:

Q. You say that they would prefer some other method than handing out to them a little relief?—A. They simply take it because there is no other way of doing it.

By Mr. Woodsworth:

Q. Do you think under the other scheme it would be an incentive to avoid work as is sometimes charged?—A. Our figures have shown that there are very few who avoid work; due to the fact that there is a work test in connection with it, it is a very small percentage.

Q. In your judgment, what proportion of the people you deal with are really lazy and would avoid work even if they could get it?—A. Very, very few. I have one instance of a man who has slumped because he had not had any work for so long and was discouraged because he could not get anywhere. The winter before last he hung around the City Hall, feeling very sorry for himself. Last year we got him up to the yard a few days, and he came to me and said, "Miss Childs, get me some work where I can earn some money." That is typical of a large number of cases. The others are very, very few.

By Mr. Heaps:

Q. Is not this question of laziness, which is sometimes cited, very often a question of physical unfitness?—A. I do not think it is a question of laziness, I think it is a question of discouragement mostly. Physical unfitness and discouragement are two of the big things. If the rest of us had to go day after day and wait for things to happen, we would begin to sit around too.

By Mr. Woodsworth:

Q. One of the representatives of the Canadian Manufacturers' Association the other day took the position here that men ought to be able to save during the time they work sufficient to tide them over periods of unemployment?—A. On what wage did he base that?

Q. Unfortunately he had no basis, it was a general opinion. Would you agree with his point of view, or if not, would you give your reasons?—A. In any groupings we have come in contact with, a good many of our skilled artisans do carry themselves on seven months' employment, but they do not carry themselves as they ought to be carried; they exist during the winter months and get

[Miss Gertrude Childs.]

behind. The odd one who has a fling has not much to have a fling on, as a matter of fact. In the labour group there are a lot of people earning 30 cents an hour. I have not proved this, and I cannot prove it, but I am told that there are firms who are offering 25 cents an hour. That is not a living wage; it may be for an immigrant, but it is not for a Canadian. On 32 cents an hour, unless a man has work the year round, he cannot save anything. On 32 cents an hour he gets about \$70 or \$72 a month; he has his rainy days, and Christmas and New Years are tragedies for him.

By Mr. Heaps:

Q. What about men employed in the railway shops?—A. Even men employed in the railway shops are not working during the winter months. We have families whom we subsidize. Men should be able to have reasonable families. I cannot see any reason why our young men cannot have families without bring in new ones.

By Mr. Woodsworth:

Q. Is it your opinion that the coming of a child is little less than a tragedy in these homes?—A. Absolutely.

Q. Is it fair, or is it possible for any one given employer to provide for these men during their periods of unemployment, or is there too much drifting from place to place to do that?—A. I do not see how it could be arranged for any one given employer, there are so many for whom permanent work is not available.

Q. The evidence given the other day was along the line that if a man was employed for fifteen or twenty years steadily he would be able to save enough from his employment to take care of him; have we any of those stable conditions throughout the west?—A. Absolutely no.

Q. I think you have made this clear, but I want to make it clear before the Committee. In your judgment, the question of unemployment is not one primarily for the city of Winnipeg?—A. It is not.

Q. That is, that any one municipality is not definitely responsible?—A. It is not even provincial, it is inter-provincial. The reason we get it is because we are organized to deal with it, and the people are quite frank in saying that that is why they come to us.

Q. These large numbers of unemployed are actually needed at certain seasons; that is clear, is it not?—A. We ask for them.

Q. A large number of them are quite employable, if the work were provided?—A. Exactly.

Q. So, fundamentally it is a question of the lack of adjustment?—A. That is what it is.

Q. There is one other thing. Before another Committee the other day Mr. Beatty gave evidence that the railroads were placing their men on farms as they arrive. Have you any information or idea as to whether any large number of these people come back shortly from the farms to the city, the immigrants?—A. A good many of them do come back. They are placed in farm labour on a monthly basis, and the complication arises that as soon as they have one child they are not wanted, or they have difficulty in getting them placed, and when they have two or three children nobody wants them. They have to provide separate housing, which is not feasible, and in the West separate housing is not there and is not likely to be.

Q. Some of our farmer friends say that they have come repeatedly to Winnipeg and tried to get help but that the men refused to go out on the farms?—A. There is a general attitude that the man secured through the Employment Service in Canada is a dud. Last year we took a clerk in the Employment Service of Canada, and he interviewed the men who were known to us, who had had

[Miss Gertrude Childs.]

assistance, and asked them why they were not taking certain jobs which were available. There were two reasons given; there were some who were not fit for some of the work; there were some who were not able to leave the city because of home conditions, and there was a third group who were waiting for a little higher wage, but they were a very small group.

Q. Mr. Rigg, of the Employment Service spoke of the employment agencies. I would like to have your opinion as to how the employment agencies or the administration of the employment agencies could be altered so as to mend these conditions to which you refer?—A. Mr. Macnamara asked me if I were prepared to make recommendations upon it, and my view is this, that until you have individual treatment you are not going to get anywhere. You cannot post a job and just leave it at that, if you are going to do a constructive piece of work.

There has been some fault found because we employed this man in the Employment Service. I think the Employment Service of Canada would be very much improved first along the line of definite registration. There is no definite registration as to how many people are out of work, and there is no definite registration as to jobs for which they are fit.

Q. Or the jobs they are getting?—A. We need classification.

Q. Do you advocate something in the nature of compulsory registration of unemployment?—A. I do not see how you can make it compulsory. I think if it were a little more hopeful it would not need to be compulsory. I think they feel it is hopeless. Instead of the work going to the larger employment offices and the men going there for it, the men stand out at the different plants; they go there at four o'clock in the morning. Ideally there should be a central place.

Q. In the case of unemployment insurance, that would have to be closely correlated with the present employment offices?—A. I would say so. I do not see how you could do it in any other way. I would like to see that employment service connected up with the Bureau of Labour. You see, they have the viewpoint of the other end of it as well.

Q. I do not follow you there?—A. There has been a suggestion with us that we should have a department under the provincial government. The Employment Service of Canada is Dominion.

Q. But administered more or less for the provinces?—A. Yes. It might be enlarged upon the basis of a little closer connection there, and with a little more definite registration and classification effort. You see, at the present time it is getting to the stage where a great many men go there and hang around; they hate to go home, because there is nothing to hang around there for. The women's section seems to work a little more satisfactorily than the men's.

Q. There is one other question in my mind with regard to sickness; have you any idea as to what amount of free treatment is given in the hospitals at the present time?—A. There is a great deal. All our day patient departments are used all the time. The Misericordia have an evening clinic; St. Joseph's an outdoor clinic, St. Boniface's is very much enlarged. They are giving very good service, and are used very largely.

Q. The establishment of a pension against sickness would very largely relieve the present authorities?—A. Yes. For three winters we could not use the outdoor clinic at the General Hospital at all, which so complicated matters up there that we had to have our own doctor.

The ACTING CHAIRMAN: Are there any other questions, gentlemen? If not, I will take this opportunity of thanking Miss Childs for appearing before us and giving her views upon this very interesting question.

(Witness retired.)

The Committee adjourned until Thursday, May 3rd, at 11 a.m.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12—MAY 3, 1928

WITNESSES:

Mr. A. R. Mosher, President of the All-Canadian Congress of Labour.

Mr. R. A. Rigg, Director, Employment Service of Canada.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MINUTES OF PROCEEDINGS

THURSDAY, May 3, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (The Chairman), presiding.

Present: Messieurs Bell, Grimmer, Johnston (Cape Breton), Hall, Jenkins, Letellier, McMillan, Neill, St. Pere, Tolmie, Woodsworth, and Hon. Peter Heenan—13.

Minutes of April 27 read and approved.

Mr. A. R. Mosher, president of the All-Canadian Congress of Labour, called, sworn and examined.

Witness retired.

Mr. R. A. Rigg, Director of Employment Service of Canada, Department of Labour, called, sworn, and examined.

Witness retired.

On motion of Mr. Neill,

Resolved, that a representative of the Department of Justice be asked to attend before this Committee with a written statement as to the jurisdiction of the Dominion and Provincial authorities in the matter of Unemployment Insurance, Sickness Insurance and Invalidity Insurance.

Ordered: That Mr. Howard T. Falk, Secretary of The Social Service Agencies, Montreal, be notified to appear before the Committee.

Committee adjourned until Tuesday, May 8, at 11 a.m.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

COMMITTEE ROOM 375,
HOUSE OF COMMONS,
THURSDAY, May 3, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: There was a motion by Mr. Letellier that Mr. Mosher, President of the All-Canadian Congress of Labour be recalled for this sitting of the Committee. Mr. Mosher is here. Is it the wish of the Committee that we hear him now?

Carried.

A. R. MOSHER recalled and sworn.

By the Chairman:

Q. Have you a statement to make first, Mr. Mosher, or would you wish to start with questions from the Committee? If you have a summary prepared, you might give it to us first.—A. Mr. Chairman, if I may be permitted, I would like to clear up a misunderstanding or two that occurred the last time I appeared before this Committee, and which, from the printed report clearly indicates that the questions and answers did not make it any clearer. In my statement before the Committee the last time I was here I referred to the number who were unemployed. On page 116 of the printed report, I pointed out that the statistics or the report from the Bureau of Statistics obtained from about 6,000 industrial concerns each employing over 15 workers showed that on September 1, 1927, these firms were employing over 900,000 workers. Then I said, "by January 1, 1928 there had been a decrease of over 79,000. If employment declines in the same ratio among all urban workers, the number of unemployed in that group at the present time would be about 190,000." I was asked the question if that referred to the average number of unemployed throughout the whole year. I want to point out now that my statement does not attempt to show the actual number of unemployed in the Dominion of Canada at any particular time, but merely indicates the additional number of unemployed on January 1st, as against September 1, 1927. In other words, in January, 1928, there were 190,000 more unemployed in Canada than there were on September 1, 1927. Now, to get the total number of unemployed, one would have to know the exact number of unemployed persons in Canada on September 1, 1927, and add to that this figure of 190,000. To obtain the first figure of course, would involve machinery far greater than the All-Canadian Congress of Labour can possibly supply to arrive at the correct figure of the number of unemployed.

By the Chairman:

Q. It would be larger though, in your estimation, than 190,000?—A. Well, it is difficult to say that. One could make a guess at it but it is rather difficult to say just the exact number who were unemployed on September 1, 1927. My figures were intended merely to indicate that we did have an unemployment situation in Canada, and that during that period there was this drop in the number of employed. Now, if you will take the charts that are prepared by the Dominion Bureau of Statistics, which I have no doubt this Committee have, you will find these facts.

[Mr. A. R. Mosher.]

Q. There is one point there I am not clear on; I do not know whether the Committee is, if there were any unemployed on September 1st, and you add them to this figure, then the number for January 1st would be greater than 190,000, would it not?—A. Yes, it would.

Q. The meaning then is that the unemployed in Canada on January 1st would be greater in number than 190,000?—A. Yes, undoubtedly. And of course it is difficult and in fact impossible for me to say, and probably difficult for any one to say as to the length of the periods that any of these people were unemployed. It merely indicates that on January 1st there were 190,000 less employees employed in industry than there were on September 1, 1927.

By Mr. Neill:

Q. Do you think that a comparison between January and September is a fair one?—A. I was going to explain that. If you will take the charts which are prepared by the Dominion Bureau of Statistics, you will note that for several years past we reach our peak of employment in Canada, on or about September, in each year, and that there is a drop in employment from that period up until January and February of the succeeding year. In other words, we have more people employed in September than we have in any other period in the year, as a rule. That is what this chart indicates. It shows that it declines very rapidly beginning with November and it drops to its lowest peak in January. It then takes a slight upward trend, as a rule; it has for several years past, during the month of March, and then again declines during the month of April, and starts on the upward turn of employment again May of each year. I thought that statement was necessary for me, Mr. Chairman, because in the questions that were asked and the answers given, it was quite clear to me that the statement which I had presented to the Committee was not quite clear, and that some might assume that I was saying there was a steady number of unemployed in Canada of 190,000, which my statement did not attempt to say.

I think perhaps I should also make a little more clear my answer to the question with regard to the method of collecting from the workers in Great Britain. The question was asked as to how they do it in Great Britain, and I said in my opinion they were not doing it adequately. I should perhaps have elaborated a little more on that, and said that in my opinion the whole pension scheme in Great Britain is not quite adequate.

By Mr. Heaps:

Q. Are you referring now to the pension or the unemployment insurance scheme?—A. The unemployment insurance. What I want to say is this; that in my opinion it might be quite possible, in a country not so extensive as Canada, where the country is more densely populated, it might be quite feasible to have the workers in industry contribute; to collect from the workers in industry a premium for unemployment insurance, just as it is possible to collect from the employers. But, I do feel that in such a country as Canada, extending so widely and so sparsely populated, it would require much more elaborate machinery and be much more difficult to collect from the workers direct than it would be in England. Then, we must also take into consideration that organization is developed to a far greater extent in England than we have it in this country, and that might make it—I do not say it does—easier to collect from the individual worker.

Now, just one other thing, and then I am through except for answering any questions you may care to ask me. The last time I was here, the Chairman asked me when I was referring to the inadequate wages that workers were receiving in Canada, whether I did not think the workers in the printing

[Mr. A. R. Mosher.]

and publishing trades were not receiving excellent treatment, or excellent wages, or words to that effect. I said, "if you use the word 'excellent' I cannot agree." Perhaps I should have said that in comparison with the boot and shoe workers, and the textile workers in the province of Quebec—about which we heard something on that particular day—I would have said that the wages paid to the workers in the printing and publishing trade were indeed very good, or compared very favourably.

Now, you can find in "Wages and Hours of Labour in Canada," published by the Department of Labour the exact wages that are paid to workers in the printing and publishing business, and you will find that for compositors, machine or hand, in the news publishing business, the average wage runs from \$29 to \$48 per week, in Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, Winnipeg, Regina, Calgary, Edmonton, Vancouver and Victoria. In the job printing, compositors in the machine and hand, the wages run from \$29 to \$44 a week. These are weeks in most cases of forty-eight hours, but in some cases forty-six and a half hours. Press men in the news publishing business, in these cities referred to—the wage runs from \$28 to \$48 a week. Pressmen in the job printing offices from \$30 to \$43 a week. Book-binders from \$26.50 to \$44 per week. Bindery girls from \$8 to \$21 a week.

Now, as I said before, if we compare those wages with the wages of workers in the boot and shoe industry, or in the textile industry in the province of Quebec, according to the evidence that was given to this Committee the last time I was here before it, one must agree that these are good wages, or comparatively good wages. But, again, if you compare these wages with some other occupations, you will have to agree that they are not exceptionally good wages, and that there are other classes in this country who are receiving higher wages than that.

By Mr. McMillan:

Q. What other occupations?—A. Well, we might say locomotive engineers, and railroad trainmen. I suppose I should not add members of Parliament.

The CHAIRMAN: That is a speciality.

By Mr. McMillan:

Q. What would you say about agricultural workers?—A. Agricultural workers during a certain season of the year get wages pretty nearly equal to that.

Q. What do the farmers themselves get?—A. Perhaps some of the farmers are well paid, but the Committee will be able to get far better evidence of that than I could give. While I was born on a farm, and worked there a few years, I thought it was not a very profitable occupation, and I got out of it. I did not get into a very profitable one as it is, but perhaps a little better than, in my opinion, it would have been remaining on a farm.

By the Chairman:

Q. You think the possibilities are fair in your present occupation—A. Well, I do not know whether they are. They are like the politicians and members of Parliament; it is very doubtful as to whether you are going to be on the job very long or not. I would say on the whole, if you compare the wages of men in the printing industry, and the publishing industry, their wages do compare favourably with the others on the average, and are good in comparison with some.

By Mr. Heaps:

Q. I would like you to explain as to the wages of those engaged in the printing industry, what percentage of the higher wages are received where and

[Mr. A. R. Mosher.]

by whom, and what percentage receive the lower wages. You said the wages run from \$29 to \$48 a week?—A. The difference in wages means a difference in location. For example, in Halifax, a compositor receives \$32 a week of forty-eight hours. In Quebec that same position pays \$25 a week. Now you come to Ottawa, and you get \$38 a week; in Toronto, \$38 a week; in Winnipeg \$46 per week; in Calgary \$45 per week. And so, the difference in rates applies to different localities where they are employed.

By Mr. St-Pere:

Q. Would a compositor on a Quebec newspaper receive \$25 a week?—A. This report by the Department of Labour shows that a compositor, machine or hand, in the newspaper publishing business receives \$25 a week for forty-eight hours.

Q. I have been a newspaper man for 22 years, and I never knew of such a low salary for compositors. Are you sure that is correct?—A. You will understand, Mr. Chairman, that I am not quoting my own figures. These are the figures of the Department of Labour, if they are incorrect.

Q. Are you not looking at 1925 instead of 1927?—A. Yes, I beg pardon. I was reading the wrong line. It was \$29 instead of \$25.

By the Chairman:

Q. These wage rates are going up? They are higher than two or three years' ago, are they not?—A. Yes, I was reading the top line, instead of the bottom line, I am sorry. I have done that in each case. It is only a difference of \$4 a week in 1927.

By Mr. Heaps:

Q. Is there any difference for the other cities?—A. Yes. In Halifax, in 1927 the wage rate is still the same as in 1920, \$32 per week; in St. John, \$33 per week; in Quebec, \$29; in Montreal, \$38; in Ottawa, \$43; in Hamilton, \$41; in Winnipeg, \$45; in Regina, \$44; in Calgary, \$44.10; in Edmonton, \$44; in Vancouver, \$48; and in Victoria, \$46.50 per week. That is all that I have to say with regard to that, Mr. Chairman.

The CHAIRMAN: Mr. Mosher is now ready for questions, either on his evidence to-day or on his previous evidence.

By Mr. McMillan:

Q. Can you tell us of any place where there is unemployment insurance, and the employees are not contributing?—A. Can I tell you of any place? No, I do not know that I can.

Q. Can you tell us how it is possible to make a scheme work if the employees do not contribute as well as the employers?—A. In the final analysis the employees pay anyway, whether directly, or indirectly.

Q. In what way do they pay?—A. Well, inasmuch as the worker must necessarily create the wealth and the revenue that enables the employer to pay.

By Mr. Hall:

Q. He gives him a smaller salary, do you say?—A. Yes. My thought on the matter is simply this: that it is easier to collect the premiums from the employers of labour and to make it a charge on the industry direct, than to attempt to collect it from the employees. And then again, as I have pointed out on a previous occasion, the wages which a great many of these workers receive are so small that if you attempt to charge them anything for unemployment insurance, it is going to create a very great hardship upon them. If some machinery can be evolved whereby the worker will be given an adequate wage, then undoubtedly, the proper procedure would be to have him pay his proportion towards unemployment insurance.

[Mr. A. R. Mosher.]

By the Chairman:

Q. That is a very important question that Mr. Mosher dealt with on the last occasion in his evidence before us, so if there is any other question on it, clear it up before you go on to anything else.—A. I want to say that I would far rather see an unemployment insurance evolved whereby the employees would contribute towards it, rather than no scheme at all. Any scheme is better than no scheme, and whatever in the judgment of Parliament will work out satisfactorily, should be tried, with the hope that if it did not provide adequate means either for collections for pensions or relief for the unemployed, it could be improved upon from time to time.

Q. You are not absolutely opposed in principle to the workers paying something?—A. Absolutely not opposed to it, either in principle or practice, Mr. Chairman, except that I merely want to express my view that it is going to create a further hardship upon these workers who are receiving low wages, and that it would be preferable, if possible, to make it a direct charge on industry, rather than to collect from the workers.

By Mr. Heaps:

Q. In Great Britain there has been very great controversy as to whether the charges should be on industry, or on taxation. Have you ever thought out that question?

The CHAIRMAN: Will you repeat the last point?

By Mr. Heaps:

Q. Whether the charge should come out of industry or out of taxation?—A. I have not given a great deal of thought to that particular question, but in any event, if it is taken from industry, it will come through taxation of the industry.

Q. Not necessarily. There is taxation that comes out of income?—A. Of course, there are various forms of taxation. There may be income taxation collected from the industry or from the individual, and perhaps the most equitable way would be to collect from taxation upon the income of industry.

By Mr. McMillan:

Q. Do you not think that if we want to bring about conditions whereby all would be satisfied, and more particularly the employees who ought to be satisfied, they ought to know something about what the business is doing, and what it is earning and in that way they should have their representatives on the boards of industry?—A. Yes, there is something to be said for that, perhaps. Of course, we cannot expect that the workers will have a great deal of knowledge about the details with regard to the earnings of industry, until they become organized to a far greater extent than they are at the present time. In some industries of course, the workers are well organized, and they are taking upon themselves to find out what the conditions of the industry are, and to that extent, in my opinion the organization of the workers are a help, not only to the workers, but to the industry, and to the country as a whole, because when the workers know all the facts with regard to the situation, they are not hard to convince with regard to any condition that exists. If they are unorganized, and have no knowledge, they are very likely to come to the conclusion that they are being robbed by the industry, and all the rest of it, and they work up a prejudice in their minds which is detrimental to the employer, to the industry, and to the country as a whole. If they have a correct knowledge of the situation, they are not hard to convince as to any reasonable proposition.

Q. If they have the facts?—A. If they get the facts, yes. But you must appreciate this: that a great deal is said that is not fact.

[Mr. A. R. Mosher.]

By the Chairman:

Q. In almost every scheme up to date in Europe with respect to unemployment insurance, the labourers are taxed or have to pay something to the fund?—A. I believe that is so.

Q. About the only country that does not follow this plan is Russia?—A. Yes.

Mr. HEAPS: They have an unemployment scheme in Russia now?

The CHAIRMAN: But the industrialists pay the whole shot, do they not?

Mr. HEAPS: I do not know that.

The CHAIRMAN: I think so.

WITNESS: Of course, with the starting out of any scheme, one must take into consideration that you have an army of unemployed whom you could not tax, whom you could get nothing from.

By Mr. Heaps:

Q. In that very case, Mr. Mosher, under the British Act, where there are certain regulations, and with a permanent army of unemployed—you speak of a permanent army—you could hardly start out with taking care of them from the unemployment insurance fund, because under the British Act, a person is only allowed so many weeks' benefit per year?—A. Correct.

The CHAIRMAN: Whether unemployed or not.

By Mr. McMillan:

Q. He must pay so much in, in order to get something out?—A. Yes. In regard not only to the permanent army of unemployed, but in bringing into effect any scheme for the first time, you have an army of temporarily unemployed as well, who would not be able to contribute to any scheme until they got into employment.

By Mr. Neill:

Q. They are not asked to contribute when unemployed, but only when they are employed?—A. Well, as I have already said to the Chairman, I am not objecting particularly to that method of collecting the fund necessary to operate the scheme. I am merely expressing my preference for charging the whole thing to industry.

By Mr. Heaps:

Q. You have travelled fairly extensively through the Dominion of Canada of recent months, and you have come into contact with the workers in all parts of the Dominion. I presume you find a very great desire to have some form of unemployment insurance in Canada?—A. Oh, unquestionably, amongst both the employed and unemployed. I have spoken to vast numbers, and I have not found any one yet but believes that we should have some means of taking care of our unemployed.

By Mr. McMillan:

Q. I see that in Britain they have re-established their unemployment insurance scheme, starting into force the new system this spring, are they not?—A. Yes.

By Mr. Jenkins:

Q. Mr. Chairman, I probably gathered a false impression from Mr. Mosher not only the other day, but in the reading of the pamphlet here that he was opposed to any contribution by the employees. I am glad that he has cleared that up, but I would like to ask a further question. Is he familiar with the comparative statistics which are published quarterly by the International

[Mr. A. R. Mosher.]

Labour Office of the League of Nations, Geneva, showing the purchasing power of wages—in other words, real wages—in the various cities throughout the world, based on the one hand on the wages' rates of eighteen different classes of workers, including labourers, and on the other hand, on the retail prices of twenty-four articles of food. I have written out that question so as to be clear, and I would like to have it answered so as to have it in black and white. And, further, may I inquire how you reconcile your statement about the inability of Canadian workers to contribute in any measure towards unemployment insurance, with the comparative statistics of the International Labour office relative to the purchasing power of wages—in other words, real wages—in Canada as compared with the much lower wages which are in effect in European countries, where systems of unemployment insurance exist, and where the workers are contributing at present; at least, in most countries?—

A. I have not studied the figures referred to recently, and I am not in a position to say a great deal about them. I have not said that the workers in Canada were incapable of contributing towards unemployment insurance. I simply said that in my opinion it would create a hardship upon the low-paid workers in this country to contribute anything from their very meagre earnings. I presume the workers in other countries also find it a hardship where their wages are low to contribute to this insurance; but our workers have been able to bear up under such tremendous burdens that I presume if they are called upon to still further contribute, in order to protect themselves when they are unemployed, that they will find some way of making a greater sacrifice in order to be able to do it. It is not a case of not being able to pay, it is a case of hardship devolving upon the worker who is required to pay.

By Mr. McMillan:

Q. It would cause him to take a great deal more interest in the question if he had to pay something?—A. It is very nice for those of us who have the ability, but it is hard for a man bringing up a family on \$10 or \$12 a week. Any person having any knowledge of the purchasing power of the dollar in this country will agree with the stand I take.

Q. But that is no reason why he would not take a greater interest in it?—A. He would probably take a greater interest in it.

Mr. NEILL: This a very important thing. Here is a gentleman representing a large number of workers, and he has repeatedly told us that in his opinion the collection of a premium from the workers would be a hardship.

The WITNESS: I said the lowest paid workers.

By Mr. Neill:

Q. You did not say that, you said the workers. If that is the case, I suggest that we should disband, because this Committee is not here to inflict a hardship upon the workers. The whole purport of the reference was to try to do something to relieve the workers, and if we are going to do something which will create a hardship upon them, why should we continue? I want to explore this a little farther. Under the British system the worker pays one third, or roughly one-third, the government pays one-third, and the employer pays one third. If two men come along, and each has one dollar, they say, Here is two dollars, and if you contribute the third dollar the whole three dollars will come back to you. I have only to put my hand in my pocket and take out one dollar and get three dollars back for it. How is that going to be a hardship on the worker, that is the point. He says he cannot afford it. The fact that he is hard up makes it all the more necessary for his wife and children to have unemployment insurance. The harder up he is, the more he needs it. I want the witness to explain how it is going to be a hardship; how is it a hard-

[Mr. A. R. Mosher.]

ship to ask a man to contribute some money in return for which he is going to get back three times the amount?—A. I am not going to enter into a discussion as to what this Committee should do, but surely Mr. Neill will agree with me that it is harder for a man earning ten dollars a week to put his hand in his pocket and hand out one dollar than for one who has a greater income. Furthermore, Mr. Neill assumes that every low paid worker who contributes to the unemployment insurance scheme is going to be unemployed, and that he is going to get back his own money and more with it. That probably is not going to be the case. There are thousands of low paid workers who will be contributing to the unemployment insurance scheme who will not be unemployed and will not get their dollars back or any of the other dollars referred to. So Mr. Chairman, in my opinion, it is not drawing a correct picture of the situation at all. As I have said, it would be better for the worker to pay one dollar in and get three dollars back when he was unemployed, than not to pay anything in and get nothing when he was unemployed. There is no question about that. I think it would be still better for the worker if he did not have to contribute the dollar and could get the three dollars when he was unemployed.

Mr. JENKINS: That is our reference.

By Mr. Heaps:

Q. Mr. Mosher, you are trying to get the best possible scheme for those you represent?—A. Absolutely.

Q. If you cannot get the best, you will take the next best?—A. Certainly. Then the next best, and on down the line, the very best conditions that can be obtained. I appreciate the fact that this Committee is looking into more features of the situation than I am able to develop. I do not assume for a single moment that what I say will be the only opinion accepted, but I would like to see a direct tax on industry and nothing on the worker. I am just leaving that thought with the members of the Committee for consideration, nothing more, nothing less.

Mr. HEAPS: Mr. Moore, who represents the Trades and Labour Congress, took exactly the same stand as Mr. Mosher has taken on the question of contribution; so generally speaking there is no question but that the representatives of Labour are trying to get at the very best scheme. I presume the manufacturers who were here and who addressed the Committee, were also attempting to get the best scheme from their viewpoint, and it is for the Committee to decide subsequently.

Mr. NEILL: Mr. Moore did not say it would be a hardship on the worker.

Mr. HEAPS: He said he preferred a scheme entirely financed outside of any contribution by the workmen.

Mr. McMILLAN: He realized the necessity and the advisability of the employees contributing, looking at it from the standpoint of the general interests of the country. You could not expect us to take the point of view that has been taken, representing as we do all the interests of the country.

The CHAIRMAN: You mean that before any set scheme is inaugurated there should be a thorough investigation by the powers that be, not only into the rights of Labour and the problems of Labour, but the problems of all Canada, before any scheme should be embarked upon?

Mr. JENKINS: Yes.

The CHAIRMAN: And before any action was taken a thorough investigation would be had and the situation thoroughly explored?

Mr. JENKINS: Yes.

[Mr. A. R. Mosher.]

The CHAIRMAN: This is only an opinion from a representative of one labour organization. The other day we had opinions from another labour organization. We could not go into any large scheme of unemployment insurance on any individual opinions of that kind; we would have to make the inquiry more thorough.

WITNESS: I would also hope, Mr. Chairman and members of the Committee, that another matter will be considered, that is, the amount of wealth that is created in Canada and the amount of wages paid to the workers. Perhaps that will give you an idea as to who should pay for unemployment.

Mr. McMILLAN: Any such scheme should be approached from the standpoint of the general welfare and interests of the country.

Mr. JENKINS: Certainly.

Mr. HEAPS: I think most of us take a favourable attitude on this question; I think most of the members have taken a very favourable attitude towards it. The difficult question to be decided by the Committee is, how is such a scheme to be put into operation?

By Mr. Neill:

Q. I have one more question to ask. Do you not think, Mr. Mosher, that a scheme which has received the consent of the Parliament of Canada, composed of various elements in which Labour does not predominate, would be more likely to get through—that is what we want—than one to which they were not to contribute?—A. I think you are quite right there. Undoubtedly it would be easier to get through a scheme to which both employers and workers would contribute than to get what we consider the ideal scheme.

Q. It is better to ask for something you can get than for something you obviously cannot get?—A. That is true.

(Discussion followed.)

(Witness retired.)

Moved by Mr. Neill:

That a representative of the Department of Justice be asked to attend before this Committee with a written statement as to the jurisdiction of the Dominion and Provincial authorities in the matter of unemployment insurance, sickness insurance, and invalidity insurance, dealing with these three matters separately.

Motion agreed to.

R. A. RIGG, called and sworn.

By the Chairman:

Q. Proceed, Mr. Rigg, and say what you wish to say?—A. Mr. Chairman, when I spoke to the Committee upon a previous occasion, Mr. Woodsworth asked some questions which I was not in a position at that time to answer. Having given some attention to them in the meantime, I want to reply to them as well as I am able to, on the present occasion. At page 102 of the report of the proceedings before this Committee, Mr. Woodsworth asked:

What proportion of the employers report to you?

As showing the volume of employment afforded by their various industries I wish to submit the following information, which has been taken from the Census of Industry Figures collected by the Dominion Bureau of Statistics. I will read it over, and then leave the document with the Committee for filing purposes. In the manufacturing industry, in 1925, there were 22,331 establishments reporting the number of employees in their employ. Of the total number of employees, 77,623 were salaried and 466,602 wage earners. In 1926, 22,708

[Mr. R. A. Rigg.]

establishments in the manufacturing industry reported, and at that time there were 81,794 salaried and 499,733 wage earning employees. In the electric railway industry, in 1925, 61 establishments reported, and they employed 1,246 salaried employees and 15,687 wage earning employees.

By Mr. Heaps:

Q. Will you read that again, please, I did not catch the numbers?—A. In the electric railway industry, 61 establishments reported in 1925, employing 1,246 salaried employees and 15,687 wage earning employees. In 1926, this same number of establishments, namely, 61, reported, and at that time they had in their employ 1,221 salaried employees and 15,740 wage earning employees.

Then with steam railways, with which is included the Express service, the number of establishments reporting is not given, but in 1925, in this particular branch of industry, 22,518 salaried employees were engaged, and 143,509 wage earning employees. In 1926 they employed 24,667 salaried employees and 149,599 wage earning employees.

In 1925, in telephone systems there were 2,495 establishments reported; they had in their employ 21,831 people; in 1926 2,479 establishments reported, having in their employ 22,567 persons. Then with telegraph systems, 9 establishments reported, and 7,224 persons were engaged in that industry, and in 1926, 9 again reported having in their employ 6,755 persons.

These are the only branches of industry, so far as I have been able to discover, in connection with which these figures are collected and reported in the Census of Industry. The total number of persons engaged in these various branches of industry in 1925 was 756,240, while in 1926 the same industries had in their employ 802,076 persons, the increase in 1926 over 1925 being 45,836.

I may say that the 1926 returns are the latest available. Further, in connection with that same inquiry, the industrial census figure for 1925 shows, as I have already indicated, that there were 544,225 employed in the manufacturing industry, the comparable figure for 1926 being 581,527. In 1925 the population of the country was estimated at 9,364,200; in 1926 the population was estimated at 9,390,000. In 1925, 5.8 per cent of the total population was employed in the manufacturing industry; in 1926, 6.2 per cent was so employed.

While I am dealing with this, perhaps it might be advisable for me to report to you the following information regarding those gainfully employed in Canada. The total population of Canada in 1921 was 8,788,483. Of this number 6,671,721 were ten years old or older, 3,173,169 of the population were gainfully employed, or a percentage of 47.5 of those ten years of age or older. This is in comparison with comparable percentages of 49.4 in 1911 and 43.9 in 1901.

The figures for gainfully employed include both employers and employees, as well as professional workers and others who fall into neither the category of employers nor employees. Out of the total of 3,173,169 gainfully employed in 1921, 1,041,618 were engaged in the agricultural industry, and 2,131,551 were engaged in other industries. Of the number engaged in agriculture, 170,328 were listed as farm labourers, and 212,347 were listed as farmers' sons; the balance was made up for the most part of persons engaged in agriculture on their own responsibility.

Mr. Woodsworth further inquired regarding the total number of trade unions in Canada and the membership reporting. I did not have the precise figures at the moment, and therefore deferred making any answer. I now wish to submit that information. On March 1, 1928, there were 2,604 local Trade Unions in Canada, having a combined membership of 290,282. As the total number of wage earners in the country at that date was unknown, it is impossible to estimate the percentage of wage earners organized in Trade Unions.

With regard to the value of some of this statistical data published in the *Labour Gazette*, doubt has sometimes been cast upon it. I would not for one

[Mr. R. A. Rigg.]

moment presume to assert that these figures should be regarded as representing an absolute mathematically accurate statement. I am, however, profoundly convinced from my study of them and from watching the fluctuations and tendencies over the years, that they have a very important value, so far as assisting in the interpretation of what industrial conditions prevail in Canada. I think, Mr. Chairman, it is the purpose of Mr. Brown, the Assistant Deputy Minister, if it has not already been done, to distribute the report of the Royal Commission on Seasonal Unemployment in Manitoba.

The CHAIRMAN: We have it here.

WITNESS: I have had the advantage of somewhat cursorily glancing over this report, and I find in connection with it certain definite expressions of opinion stated therein regarding the value of statistics gathered by the Department of Labour from Trade Unions respecting the volume of unemployment shown among their membership, the value of the Employment Office Statistics, and the value of the statistics published by the Bureau of Statistics covering returns received from employers showing the number of employees in their employ. I find on page 9 of the Manitoba Report on Seasonal Unemployment this statement right at the top of the page:

With regard to the first, it may be said that they are totally inadequate—

That has reference to the Trade Union figures.

—because the number of Unions reporting is so small compared with the total number of Unions in Canada, and these Unions report only very irregularly so that it is impossible to compare figures given one month with those of another month.

A very definite and somewhat damaging statement, I am afraid. The fact of the matter is, as already indicated, that out of approximately 2,600 Local Trade Unions in Canada over 1,600 reported to the Department of Labour months. As a matter of fact, I may say that the latest returns we have just recently received runs over 1,700. That percentage I think cannot be regarded as being so small that it carries no value with it; considerably over 60 per cent of the Local Unions report.

Then with regard to the allegation that these reports are received only irregularly, I wish to correct that impression. Ninety per cent of the Local Unions that do report, report regularly. There are variations with regard to the remaining 10 per cent. I have to make that statement, Mr. Chairman, because I do not think that erroneous impressions should be permitted to be broadcast, and as this report is before you for your consideration, I thought it advisable that I should make this statement.

Then with regard to the statistics gathered by the Bureau of Statistics from employers, this report states:

The statistics published in 'The Employment Situation' since they include only the employees of those establishments which employ fifteen or more, necessarily omit a considerable proportion of the wage earning class. Further, the index is based on the number of employees on the payrolls of these reporting firms on the first of January, 1920, and is rather to be considered as an index of the employment situation. To illustrate: If a firm which had fifteen or more employees in 1920 has in the meantime absorbed some other establishment, and so increased its business, the index of employment will now be high, although the total number of employees may be less than the total number of employees originally on the payrolls of the establishments which have been amalgamated.

[Mr. R. A. Rigg.]

That is to say, if in 1920 there were twelve different establishments which in the meantime had become amalgamated, and if the total number of employees employed by those twelve establishments was 1,200, that now they will show as 1,200 employed, whereas perhaps so far as the establishment into which the balance has been merged may only have had in its employ 100. That is not a correct statement of the situation; it gives an entirely false impression. The fact of the matter is that in 1920, (the date is just a little wrong, it is a mere technical error) and should be ignored; it should be the 17th of January, 1920, and not the 1st of January, 1920) in January 1920 statistics were collected by the Department of Labour, then responsible for the collection of this data, from firms in eastern Canada employing five or more persons, and in western Canada those employing ten or more. Now, these firms which in the meantime may have amalgamated would be reporting in 1920, if they were in existence at that time, and their base value is all included in the base figure which is used to-day; so that if the 12 establishments in 1920 employed 1,200 people, and if an amalgamation has taken place by which those 1,200 people have now all been brought under one establishment, it is not a picture showing one establishment as having increased the number of employees from one to twelve hundred; the comparison would still show by the use of the base figure that in 1920 there were 1,200 persons employed in the establishments represented at that time.

It goes on to say further:

While these statistics are inadequate to present a clear picture of the actual state of employment or unemployment in Canada, and inadequate as a basis for making any definite numerical forecast of unemployment, they are nevertheless useful for comparative purposes. One year may be compared with another, but this type of comparison is limited because changes in the method of the collection of statistics have made long-time comparisons impossible.

That criticism does not apply to any statistics published by the Department of Labour with regard to employment or unemployment since the year 1920 with the exception which has already been noted; no material change has taken place, and I submit that when the Bureau of Statistics raises the minimum of employees from five or ten, as the case, may be, to fifteen, of firms from which they collect their statistics, the total result, the picture, is not materially affected.

Mr. Woodsworth almost made some inquiry, and several other members of the Committee I think were interested in the matter, or showed themselves interested by asking questions, as to the value of the Employment Office Statistics, and questions arose as to whether the returns received from the offices of the Employment Service of Canada could be regarded as in any measure for calculating the tendency of employment throughout Canada. I stated at that time that so far as the percentage of persons registering at the offices of the Employment Service during periods of depression as compared with periods of prosperity was concerned, a smaller percentage of the total number of unemployed was registered in our offices than in periods of prosperity when opportunities for securing work were greater. I do not wish to change that testimony in the slightest degree; it still holds good but I have made a comparison between the significance of certain of our figures derivable from our office reports with those of the returns received from employers and collected by the Bureau of Statistics, showing how the volume of employment varied, and I have what I consider to be a rather remarkable comparison to submit to you.

Taking the index number of the volume of employment afforded by the various industries in Canada as collected by the Bureau of Statistics, I find the smallest number of employees were employed in the year 1922, covering the

[Mr. R. A. Rigg.]

period that I have been able to make this analysis of; that the next lowest year was 1925. Then the next lowest, or the next highest, as you care to interpret it, was 1923, and progressively on an up line, 1924, 1926, 1927 and 1928, which represents the high water mark of employment opportunities afforded by the industries from which the Bureau of Statistics collected its returns. I have checked this table with that showing the number of unplaced applicants in our employment offices for these years also, and I find that the years correspond exactly; that is, that the greatest number of unplaced applicants were to be found in our offices in the year 1922, when the least volume of employment was afforded, as shown by the employers' returns; that the next year was 1925, again corresponding exactly with the returns of the employers, and so on all up the line. Over a period of seven years these returns correspond precisely, that is, with reference to the largest number of unplaced applicants in our offices during those years in which the employers' returns indicate the smallest degree of opportunity for employment, and the proportion is running all along the line in harmony.

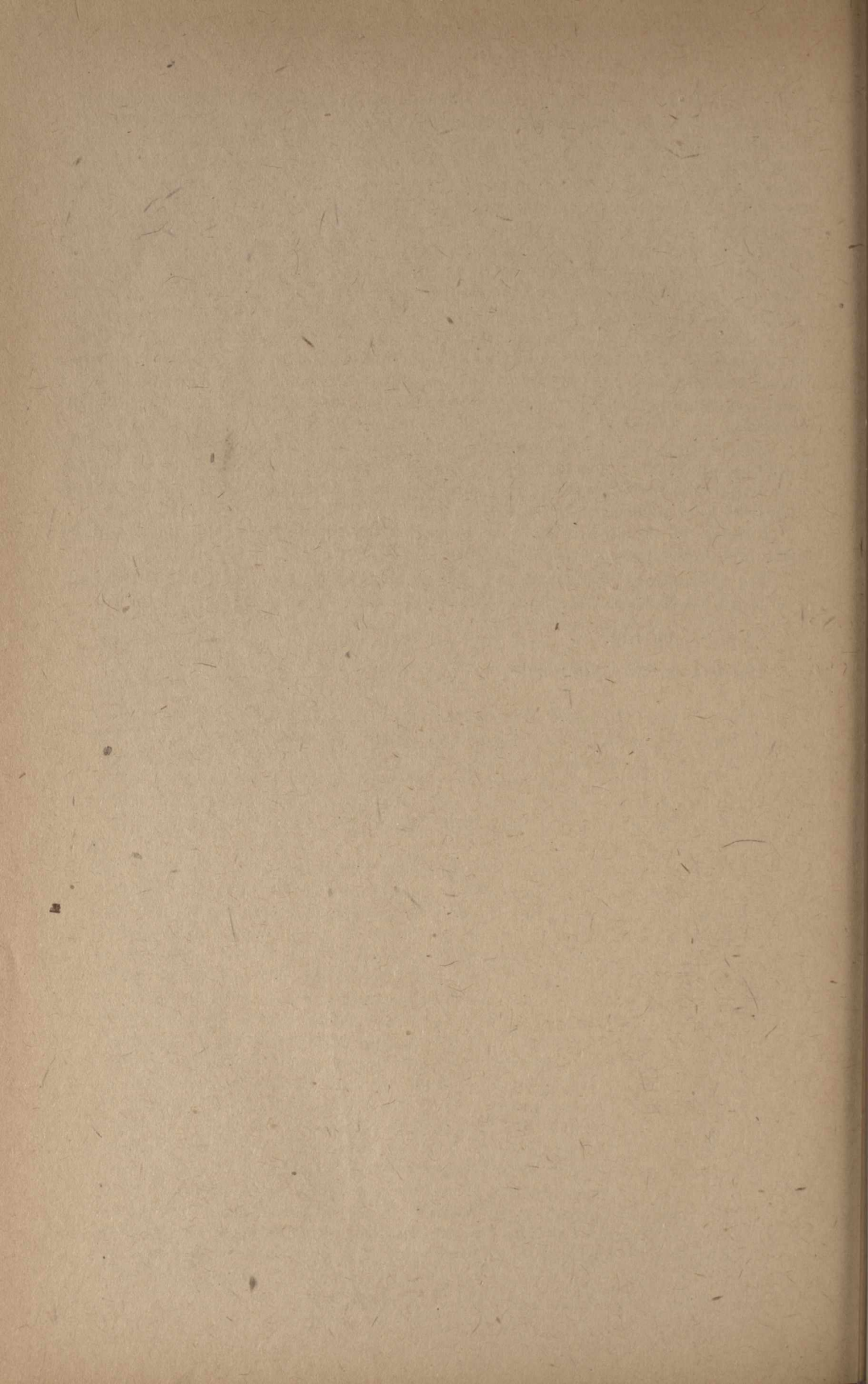
I have here also a table showing the number of unplaced applicants in the Employment Service throughout the whole of Canada as at March 15th in each year from 1922 to 1928, and if you care to have it placed on file, Mr. Chairman, I shall be very pleased to leave it with you.

I think that is substantially all I wish to say at the present moment, unless there are some questions to be asked.

The CHAIRMAN: Are there any questions to be asked of Mr. Rigg? If not, that is all for to-day. We thank Mr. Rigg for his appearance here to-day.

(Witness retired.)

The Committee adjourned.



SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 13—MAY 10, 1928

WITNESS:

Mr. W. Stuart Edwards, Deputy Minister of Justice.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MINUTES OF PROCEEDINGS

TUESDAY, May 8, 1928.

Pursuant to notice and adjournment the Select Standing Committee on Industrial and International Relations met this day at 11 a.m. The following members were present: Messieurs: Bell, Jenkins, McIntosh, Neill and Woodsworth. Total 5.

In attendance Mr. W. Stuart Edwards (Deputy Minister of Justice).

At 11.30 a.m., Mr. McIntosh (the Chairman) adjourned the Committee until 11 a.m., Thursday, May 10, through lack of a quorum.

WALTER HILL,
Clerk of Committee.

THURSDAY, May 10, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11.00 a.m.

Mr. McIntosh (the Chairman), presiding.

Present: Messieurs: Bell, Grimmer, Johnstone (Cape Breton), Hall, Jenkins, Letellier, McMillan, Neill, St-Père, Tolmie, Woodsworth and Hon. Peter Heenan and Miss Macphail—14.

Minutes of May 3rd read and approved.

Mr. W. Stuart Edwards (Deputy Minister of Justice) called, sworn and examined.

(Witness retired).

The Committee resolved itself into a Committee of the Whole for the purpose of obtaining the opinion of its members on the matter referred to it by the House.

On motion of Mr. Jenkins,

Resolved, That a sub-Committee be appointed to draft a report to be submitted to the Committee for approval, the Committee to consist of the following five members: Messieurs: McIntosh (Chairman), Neill, Bell, St-Père, Woodsworth.

Ordered, That Mr. Howard T. Falk, Secretary of the Social Service Agencies, Montreal, be summoned to appear before the Committee.

Committee adjourned until Tuesday, May 15, at 11.00 a.m.

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

COMMITTEE ROOM 375,

HOUSE OF COMMONS,

THURSDAY, May 10, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock, a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: Gentlemen, we have with us this morning Mr. Edwards, the Deputy Minister of Justice, and we will now ask him to come forward and make his statement under oath.

WILLIAM STUART EDWARDS called and sworn.

By the Chairman:

Q. Your name in full, Mr. Edwards?—A. William Stuart Edwards.

Q. And your position in the Department?—A. Deputy Minister of Justice.

Q. If you will just make the statement asked you to make in connection with this question which is before the Committee, we can then ask you some questions?—A. I may say as to that, Mr. Chairman, that I was not aware until you read the resolution just now that I was expected to make a written statement. My summons to the Committee was merely verbal, and I thought I was expected to come here to answer any questions upon the subject that the Committee might desire to ask me. I shall be glad, however, to give verbally a general statement of my opinion with regard to the question of jurisdiction.

The subject of unemployment insurance, and for that matter insurance generally, is not mentioned in any of the enumerated subjects of jurisdiction conferred upon the Dominion by section 91 of the British North America Act, but it does fall precisely within the enumerated subject of property and civil rights in section 92, which is the section conferring jurisdiction upon the provincial legislatures.

By Mr. Neill:

Q. It is specifically mentioned?—A. No. I said it comes under Property and Civil Rights.

By Mr. McMillan:

Q. That is, under provincial jurisdiction?—A. Yes.

By Mr. Heaps:

Q. Have you that particular section, section 92, so as to have it in the record?—A. I have a copy of the Act here. Section 92 of the British North America Act reads as follows:—

In each province the legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated, that is to say,—

Then follows an enumeration of the subjects.

Q. Would you mind reading those subjects?—A. All the subjects?

Q. Are they very lengthy?—A. Yes. There are some sixteen enumerated.

Q. Sixteen classes?—A. Sixteen enumerations.

By Mr. Neill:

Q. Take the one you referred to as to civil rights?—A. Number 13 of the enumeration of subjects committed exclusively to the provincial legislatures is Property and Civil Rights in the provinces, and in my judgment the provinces have jurisdiction to legislate upon the subject of unemployment insurance in the provinces.

Q. Under that general expression?—A. In order to enable Parliament to legislate upon the subject, you would have to bring it within one or more of the enumerated subjects in section 91, and I am unable to find that it comes within any of those enumerations. I suggest that for the purposes of the record sections 91 and 92 of the British North America Act might be written in, copied from the statute, so that there can be no question that the provinces have power to legislate upon this subject.

Q. Exclusively?—A. They have exclusive power to legislate upon it, if the particular scheme in question involves any compulsory contribution or the placing of any burden or duty upon any class of the community.

By Mr. Woodsworth:

Q. Would you mind testing that by a few instances; first of all, the health of animals. Where do you place that responsibility?—A. Under the British North America Act the subject of Agriculture is given to both the Dominion and the Provinces. Agriculture is a peculiar subject, under the British North America Act, and in that respect, it has been always regarded that the raising of live-stock comes under Agriculture, and the Dominion has power to legislate with regard to that.

Q. This is not a question of raising live-stock entirely, it is the whole question of the health of animals, the coming in and destroying a herd, and so on, because they have become affected with tuberculosis?—A. Maintaining the health of animals is part of their powers.

By Mr. Neill:

Q. Part of their jurisdiction?—A. Part of their being raised, looked after. I did not intend to limit my remarks to the mere raising, but the care of animals on the farm in the process of agriculture comes within our powers.

By Mr. Woodsworth:

Q. Let us take another question, the control of radio. The view upon which we contend that the Dominion has power over radio is, that we get it under Telegraphs and Telephones, in section 91 of the British North America Act. That subject has really never been tested before the Courts, but our view is that radio is a mere improvement in the art of communicating at a distance, either by writing or by voice, and that therefore in projecting the speaking voice through the ether, you are telephoning, speaking at a distance. That is what it means, and if you use it to work some mechanical device at a distance you are telegraphing. We get that jurisdiction under the enumerated subjects in section 91.

Q. Do you not think there is any section of the British North America Act that can be extended in the same way as you extend certain sections?—A. With regard to insurance?

Q. Yes?—A. No, I am afraid not. We endeavoured to do that in connection with insurance generally, and the Privy Council held against us. They

[Mr. W. S. Edwards.]

held that the subject of insurance is provincial, and that the Dominion can only control it in so far as a particular aspect of insurance can be brought within one of the enumerated subjects in section 91. So that they said you could legislate as to foreign companies, or Dominion companies carrying on insurance, because foreign companies coming into the Dominion, come under our jurisdiction, under the head of Aliens. You can legislate about insurance carried on by Dominion companies because of the jurisdiction we possess over our own companies, but that with these two exceptions, and possibly a third exception, the subject belongs to the provinces exclusively.

VI—DISTRIBUTION OF LEGISLATIVE POWERS

Powers of the Parliament

91. It shall be lawful for the Queen, by and with the Advice and Consent of the Senate and House of Commons, to make Laws for the Peace, Order and good Government of Canada, in relation to all Matters not coming within the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces; and for greater Certainty, but not so as to restrict the Generality of the foregoing Terms of this Section, it is hereby declared that (notwithstanding anything in this Act) the exclusive Legislative Authority of the Parliament of Canada extends to all Matters coming within the Classes of Subjects next hereinafter enumerated; that is to say.—

1. The public Debt and Property.
2. The Regulation of Trade and Commerce.
3. The raising of Money by any Mode or System of Taxation.
4. The borrowing of Money on the Public Credit.
5. Postal Service.
6. The Census and Statistics.
7. Militia, Military and Naval Service, and Defence.
8. The fixing of and providing for the Salaries and Allowances of Civil and other Officers of the Government of Canada.
9. Beacons, Buoys, Lighthouses, and Sable Island.
10. Navigation and Shipping.
11. Quarantine and the Establishment and Maintenance of Marine Hospitals.
12. Sea Coast and Inland Fisheries.
13. Ferries between a Province and any British or Foreign Country or between two Provinces.
14. Currency and Coinage.
15. Banking, Incorporation of Banks, and the issue of Paper Money.
16. Savings Banks.
17. Weights and Measures.
18. Bills of Exchange and Promissory Notes.
19. Interest.
20. Legal Tender.
21. Bankruptcy and Insolvency.
22. Patents of Invention and Discovery.
23. Copyrights.
24. Indians, and Lands reserved for the Indians.
25. Naturalization and Aliens.
26. Marriage and Divorce.
27. The Criminal Law, except the Constitution of Courts of Criminal Jurisdiction, but including the Procedure in Criminal Matters.

[Mr. W. S. Edwards.]

28. The Establishment, Maintenance, and Management of Penitentiaries.
29. Such Classes of Subjects as are expressly excepted in the Enumeration of the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces.

And any Matter coming within any of the Classes of Subjects enumerated in this Section shall not be deemed to come within the Class of Matters of a local or private Nature comprised in the Enumeration of the Classes of Subjects by this Act assigned exclusively to the Legislatures of the Provinces.

EXCLUSIVE POWERS OF PROVINCIAL LEGISLATURES.

92. In each Province the Legislature may exclusively make Laws in relation to Matters coming within the Classes of Subjects next herein-after enumerated; that is to say,—

1. The Amendment from Time to Time, notwithstanding anything in this Act, of the Constitution of the Province, except as regards the Office of Lieutenant Governor.
2. Direct Taxation within the Province in order to the Raising of a Revenue for Provincial Purposes.
3. The borrowing of Money on the sole Credit of the Province.
4. The Establishment and Tenure of Provincial Offices and the Appointment and Payment of Provincial Officers.
5. The Management and Sale of the Public Lands belonging to the Province and of the Timber and Wood thereon.
6. The Establishment, Maintenance, and Management of Public and Reformatory Prisons in and for the Province.
7. The Establishment, Maintenance, and Management of Hospitals, Asylums, Charities, and Eleemosynary Institutions in and for the Province, other than Marine Hospitals.
8. Municipal Institutions in the Province.
9. Shop, Saloon, Tavern, Auctioneer, and other Licenses in order to the raising of a Revenue for Provincial, Local, or Municipal Purposes.
10. Local Works and Undertakings other than such as are of the following Classes:—
 - (a) Lines of Steam or other Ships, Railways, Canals, Telegraphs, and other Works and Undertakings connecting the Province with any other or others of the Provinces, or extending beyond the Limits of the Province;
 - (b) Lines of Steam Ships between the Province and any British or Foreign Country;
 - (c) Such Works as, although wholly situate within the Province, are before or after their Execution declared by the Parliament of Canada to be for the general advantage of Canada or for the advantage of Two or more of the Provinces.
11. The Incorporation of Companies with Provincial Objects.
12. The Solemnization of Marriage in the Province.
13. Property and Civil Rights in the Province.
14. The Administration of Justice in the Province, including the Constitution, Maintenance, and Organization of Provincial Courts, both of Civil and of Criminal Jurisdiction, and including Procedure in Civil Matters in those Courts.

15. The Imposition of Punishment by Fine, Penalty, or Imprisonment for enforcing any Law of the Province made in relation to any Matter coming within any of the Classes of Subjects enumerated in this Section.
16. Generally all Matters of a merely local or private Nature in the Province.

Q. Since the Dominion controls Immigration, is there any reason why the Dominion should not be held responsible for the care of immigrants after they have arrived? That would not be a much greater extension than in the case of animals?—A. I fancy that once the immigrant has been admitted to Canada the power given to the Dominion to control him has been exercised, and I do not think we can follow him for the balance of his life.

Q. Yes; under the existing legislation?—A. No.

Q. Under the existing legislation he may be deported, although he has been here fifty years?—A. That has to do with the question of whether he can reside in Canada or not.

Q. No, that follows him, as to what he says and does for fifty years after he comes to this country. If under that law, that power can be exercised by the Dominion authorities, why should not the Dominion be held responsible for seeing that he does not become a public charge?—A. That is done under the criminal law.

Q. No, under the Immigration Act?—A. You are asking me whether it can be justified under the immigration law. It can be justified under the criminal law. The question is, whether it is within our powers or not. I think the provisions of the Criminal law and the Immigration Act rather correlate.

Q. Do I understand you that it is within the Federal jurisdiction to punish an immigrant for stealing when he is hungry, but it is not within its jurisdiction to feed him and prevent him from stealing?—A. Well, of course, I have already stated that as long as a man remains an alien we can control him under the subject "Aliens," and we can control his entry into the country under "Immigration," and we can control his acts while here under the criminal law, in so far as the criminal law extends; but you are asking me a question, as I understand it, whether we could provide a system of compulsory unemployment insurance for aliens as a class?

By Mr. Heaps:

Q. No, for Britishers.—A. I understand Mr. Woodsworth's point to be—

By Mr. Woodsworth:

Q. You selected aliens and said we had certain Federal control over aliens, and I asked, would it be too great an extension to say that such control should extend to provide for them during periods of unemployment?—A. I think we could contend (I do not know whether we could succeed in it or not) that so long as the legislation was with reference to aliens, qua aliens, and not national insurance, qua insurance, our legislation would stand; but I am afraid that any effort to legislate with regard to insurance under the designation of "Insurance" would be of doubtful validity.

Q. There is just one other question in this connection. Test your distribution of powers by means of the Old Age Pension Act. Under what clause are we justified in granting old Age Pensions?—A. Under the first enumerated subject, the Public Debt and Property. The Old Age Pension Act, as I understand it, merely provides authority for the Dominion to contribute money, make a money contribution to an old age pension scheme established provincially.

Q. No, no. We established the scheme?—A. Well, subject to it being adopted by the provinces.

Q. Yes, quite so.—A. We had to do that. In order to do it at all, we had to recognize that it was a provincial matter, and that if we were going to make any contribution we would have to do it by co-operation with the provinces. We could not do it exclusively.

Q. Quite so, but if we managed to do it with regard to the care of old people, is there any particular reason why we could not do it in the same way with regard to some other class of indigent?—A. Well, you see the difference between the Old Age Pension Act and a system of unemployment insurance is that the former is a mere conferring of the benefits; it is not a compulsory thing; it does not impose any obligation on anybody to pay in any money, or make any contribution. It does not impose any burden; it provides a benefit.

Q. Then, if this scheme were made by the Government, would you say it was within our jurisdiction, that is, if all the payments were made by the Government, would you say it was within our jurisdiction?—A. Well, that is a little doubtful. I would think that it comes within the subject, Public Debt and Property; that is, that the Dominion has control over its own money, and that if it wants to make a contribution of any of its money to some purpose which is outside its ordinary function possibly it may do so, and it did do it in the case of the Old Age Pension Act.

Q. Then, supposing that, in this case, the provincial governments instituted a scheme, or fell in with a scheme, as in the Old Age Pensions, by which the employer and the employee of the Government contributed in certain proportions, is there anything to prevent the Dominion Government making a contribution to such a scheme?—A. I would contend not. I do not wish to be misunderstood about this. I am only giving my own opinion. I think that we can make that contribution. As a matter of fact, that question will arise in another aspect; it might arise in the Water Powers reference.

The CHAIRMAN: It is simply a question of Government policy.

WITNESS: I am speaking now about the strict question of law. Of course, a big question of policy is involved, and I would express no opinion about what Parliament ought to do in a matter of policy. That is within its own decision, but Mr. Woodsworth is asking me whether we have legal power to appropriate part of the Consolidated Revenue Fund of Canada.

Mr. NEILL: We have the precedent, have we not, in the case of Technical Education and Roads grants.

WITNESS: Well, they have never been tested in the courts.

By Mr. Neill:

Q. They have never been?—A. Not that I know of.

Q. No one is going to contest it as long as we are giving something to some one?—A. Of course, that does not settle the legal question.

By Mr. Heaps:

Q. Who is going to settle the legal question?—A. The courts.

Q. Well, is not Parliament above the courts, or are the courts above Parliament?

Miss MACPHAIL: The majesty of the Law is above everything.

WITNESS: I think I completed my general statement.

By Mr. Woodsworth:

Q. That is, with regard to unemployment?—A. Yes. The same rule would apply in regard to sickness and invalidity.

Q. We have a Public Health Department, Mr. Edwards. Are the functions in the Public Health Department rigidly limited?—A. Well, I do not think that

[Mr. W. S. Edwards.]

the Department of Public Health has been given any powers, or purports to exercise any powers except such as fall within the Dominion field.

Q. Will you read me the clause in the B.N.A. Act which assigns public health to the provinces?—A. Item 7 of Section 92 gives the provinces control over the establishment, maintenance and management of hospitals, asylums, charities, and other institutions in and for the province other than Marine hospitals.

Q. There is very little about public health, there, is there?

Mr. McMILLAN: It is all dealing with public health.

WITNESS: As I understand it—I speak subject to correction, I am just speaking off-hand—my understanding is that the subject of public health is divided as between the Dominion and the provinces in accordance with the distribution of powers. In so far as seamen are concerned, the matter of looking after them may come within our jurisdiction, but if any particular individual in a province is not under Dominion jurisdiction because of his coming within one of the subjects in 91, then he must be subject to provincial jurisdiction. Property and civil rights, and the hospitals and charities, and all those things are local in the provinces. If some disease broke out in a province which was threatening, the Dominion as a whole, and a national emergency arose, we would contend that the Dominion could step in and take means to control that. Each case would have to be dealt with upon its own footing.

By Mr. Woodsworth:

Q. My understanding is—and you can correct me if I am wrong—that at one time it was the plan that the Dominion authorities would assume control of her public health on quite a large scale, and it was a mere political accident almost that that was not carried out.

Mr. McMILLAN: Was that since Confederation, or before?

Mr. WOODSWORTH: Yes, since Confederation.

The CHAIRMAN: Since Confederation?

Mr. WOODSWORTH: Yes.

WITNESS: I do know that any attempt on our part to do that would be very bitterly contested, and my own view is that we could not succeed in maintaining our legislation: We would either have to bring it within one of these enumerated subjects, or we would have to bring it within Peace, Order and Good Government.

By Mr. Woodsworth:

Q. Would you say that comes within that?—A. Well, I was going on to say that you could not bring it within Peace, Order and Good Government so long as it belongs to any of the enumerated items of Section 92, and by own view is that it is a subject which falls within the general designation of Property and Civil Rights. And, in addition, there are these other subjects that I have mentioned, the maintenance of the hospitals, and so on, and the control of all matters of merely a local or private nature within the province. The mere fact that the man becomes sick in the province does not make that a Dominion matter. If you have a dangerous outbreak of disease which threatens the body politic throughout the Dominion, I would say that we could deal with that matter under Peace, Order and Good Government, because it then ceases to be merely a local matter within the province. It becomes a general matter. Of course, you are aware that we made the most we could out of that matter under the Industrial Disputes case, and the Privy Council held against us. That was in connection with the matter of strikes.

[Mr. W. S. Edwards.]

Q. Again, along the line that I asked a few minutes ago, a very large number of the people in our hospitals are immigrants. Would you say that it was not the duty of the Dominion Government to take care of the aliens that they bring to this country, and dump on our municipal hospitals? I have had complaints both from the Montreal hospitals and my own city of Winnipeg along that line.—A. Well, I have nothing to add to my statement of the alien on that subject.

Q. But, in the same way as in the control of aliens, the Dominion Government might be held responsible for the care of those aliens?—A. I think there is a difference between having legislative jurisdiction over a matter and being held responsible for what the legislature does. The question of what the legislature will do about it is purely a matter of policy outside my field.

Q. But they at least would have jurisdiction to act?—A. We always try to claim as much jurisdiction as we can, and we like to work the word "alien" for all it is worth.

By Mr. Neill:

Q. We often use a phrase in our legislation, "a work for the general advantage of Canada." You could not do that in this case, could you?—A. No, there are no works involved.

Q. The word "work" does not necessarily mean building?—A. It means something more than a mere aggregation of individuals. The word "work" means some building or other.

Q. Not necessarily. It might be an undertaking, might it not?—A. I could not support that. It means something physical.

Miss MACPHAIL: Do we work? We don't, do we?

By Mr. Heaps:

Q. If I understand the statements here this morning correctly, I would interpret your remarks to mean that the Federal Government has not authority to impose Dominion-wide legislation, or has not the authority to impose compulsory unemployment insurance, or sickness insurance?—A. Yes, that is correct.

Q. Well, on the other hand, if the Dominion Government created permissive legislation along the line of the Old Age Pension Act, it would be quite in order for the Federal Government to make appropriations in the same way as it did under the Federal Old Age scheme?—A. In my opinion, yes. But, there is a possibility that legislation of that kind might be questioned at some time upon the ground that Parliament should not use its moneys for purposes which are primarily provincial. In view of certain provisions of the B.N.A. Act, which deal with the Consolidated Revenue Fund of Canada, and the manner in which it is to be dealt with—

By Mr. Neill:

Q. But they give grants to provinces?—A. We have done it right along, and it has never been questioned.

By Mr. Heaps:

Q. If it were not so, all those grants would be illegal. The grants for Old Age Pensions would be illegal, and all the grants which the Federal Government to-day is making to all our provinces would be ultra vires?—A. Yes.

Q. And the whole of our relationship would be entirely shattered, so to speak, between the provinces and the Federal Government?—A. I did not say that. My opinion is the other way, but—

Mr. McMILLAN: You never know until it is tested.

[Mr. W. S. Edwards.]

WITNESS: No, and it may be tested before long.

The CHAIRMAN: And you never know who is going to test it either.

By Mr. Heaps:

Q. Do I get you correctly, Mr. Edwards, in saying that if Parliament enacted a scheme of unemployment and sickness insurance, along the line of the Old Age Pension Act, making it optional upon the provinces, we would be practically within our jurisdiction in enacting such legislation?—A. No. I think you can authorize the appropriation of Dominion moneys as a contribution to any scheme which the provinces may authorize.

Q. I think I said that, did I not?—A. Well, I do not think you said exactly that.

Q. Well, I said along the lines of the Old Age Pension Act?—A. It could be done along that line, yes.

By Miss Macphail:

Q. Did the Government ask the Department of Justice for its view in regard to the Old Age Pension Act when it was being prepared in Committee, or for its advice?—A. Yes, I think so, Miss Macphail.

Q. What was the advice of the Department?—A. The advice I am giving you to-day. We had the same view with regard to the Old Age Pension Act as I am expressing to-day. I think the Old Age Pension Act will stand, but that sort of Statute has never been construed by the courts.

That is all I wish to say to the Committee; my opinion does not necessarily settle it.

Mr. McMILLAN: We do not know until it is construed.

By Mr. Heaps:

Q. The provincial authority naturally would like the Dominion Government to assume a good deal more responsibility in regard to matters, along that line?—A. I can quite understand that.

Q. With regard to the Old Age Pension Act, possibly the provincial authorities would want the Federal authorities to assume as much of the responsibility as they could?—A. I do not know. I do not know what the policy of the provinces is, but I can quite understand their wanting the Dominion to assume responsibility. Of course, it would mean larger grants to the provinces.

Q. We have the case, for instance, of some of the provincial governments, with regard to Old Age Pensions—the Ontario Government and the Maritime governments—thinking that that should be entirely Federal responsibility. I do not think there would be any doubt as to the legality of such an enactment.—A. When you have a compulsory scheme it is the person who is under compulsion who questions the legality of the Act; you might have all the governments of Canada anxious to sustain the legality of that, and yet it might be held invalid by the courts.

Q. But you stated that the Act would only come into operation by the action of the provincial authorities?—A. Oh, well, I thought you were now talking about something where the Dominion would accept the whole responsibility.

Mr. HEAPS: I can see the force of the argument, and I do not think I personally could recommend it, much as I would like to see it.

Discussion followed.

[Mr. W. S. Edwards.]

The CHAIRMAN: Is there anything further from Mr. Edwards?

Mr. McMILLAN: I think Mr. Edwards has given us a very good statement respecting the jurisdiction of the Federal authorities.

By Mr. Neill:

Q. Would it be quite in order for the Dominion authorities in proposing what you say would have to be practically a grant to the provinces, to go so far as to advance the funds; that is, we would not just have to stand back and say to the provinces, "Now you start an unemployment system of your own, and we will help;" we would be able to prescribe the terms on which we would give that grant?—A. Absolutely so, yes.

Q. As we did in the Old Age Pensions?—A. Yes.

The CHAIRMAN: It would be a matter, perhaps, in which co-operation between the Dominion and the provinces could very well take place.

Mr. NEILL: It would be an optional matter.

WITNESS: The Dominion might pass an Act to the effect that a grant would be made upon and subject to certain conditions.

Mr. NEILL: Yes, that is what I wanted.

Witness retired.

Mr. HEAPS: Is it not advisable, Mr. Chairman, that the Committee get down to considering a report? That suggestion was made last meeting that meanwhile we could begin considering the report.

The CHAIRMAN: Yes, that was a suggestion. We could begin considering the report, and also have this other man here next Tuesday, and we could then have his evidence incorporated into the reports. Is that the wish of the Committee?

Carried.

The Committee adjourned until Tuesday, May 15th, 1928.

SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

MINUTES OF PROCEEDINGS AND EVIDENCE
AND FINAL REPORT

No. 14—MAY 15, 1928

WITNESS:

Mr. Howard T. Falk, Secretary, Montreal Social Agencies.

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1928

MINUTES OF PROCEEDINGS

TUESDAY, May 15, 1928.

Pursuant to adjournment, and Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (the Chairman) presiding.

Present: Messieurs: Bell, Grimmer, Johnstone (Cape Breton), Hall, Jenkins, Letellier, McMillan, St.-Père, Tolmie, Ross (Kingston City), Woodsworth, Hon. Peter Heenan and Miss Macphail—15.

Minutes of May 8th and 10th read and approved.

Mr. Howard T. Falk, Secretary, Montreal Council Social Service Agencies, called, sworn and examined. Witness discharged.

The Chairman informed the Committee that he desired to attend the sitting of another committee of the House for a short time, and on motion of Mr. McMillan it was,

Resolved, That Mr. Woodsworth act as Chairman during the absence of Mr. McIntosh.

At 11.40 a.m. Mr. McIntosh returned and resumed the chair.

The Committee proceeded to consider the draft report presented by the sub-committee appointed on May the 10th.

On motion of Miss Macphail,

Resolved, That the following be the third and final report:

WEDNESDAY, May 16th, 1928.

The Select Standing Committee on Industrial and International Relations begs leave to present the following as their

THIRD AND FINAL REPORT

Your Committee has had under consideration a Resolution, which was adopted by the House of Commons on March 21st, in the following terms:

That in the opinion of this House, the Committee on Industrial and International Relations be authorized to investigate and report on insurance against unemployment, sickness and invalidity.

Your Committee proceeded, as directed, to investigate the subject of insurance against unemployment, sickness and invalidity. The Assistant Deputy Minister of Labour, who was the first witness, presented memoranda of information dealing with the systems of insurance against unemployment, sickness and invalidity which exist in various countries, also a memorandum of information relative to systems of voluntary sickness insurance and benefits which have been developed in this country. The Director of the Employment Service of Canada furnished the Committee with an outline of the operations of the free employment offices which have been established by the Provincial Governments in sixty-four centres throughout the Dominion, and which are assisted by a Federal grant. Witnesses appeared before the Committee on behalf of organized labour, Public Welfare Associations, and the Canadian Manufacturers' Association, and expressed the views of their respective organizations on the subject matter of reference.

The Deputy Minister of Justice gave evidence on the question of the respective jurisdiction of the Dominion and Provincial Governments regarding unemployment, sickness and invalidity.

While the time at the disposal of your Committee has been too short to make as comprehensive a report as the importance of this matter demands, your Committee submits the following recommendations:

1. That the necessity of providing some method of unemployment insurance is one that will inevitably have to be dealt with before long, as a solution, in part, of the industrial problems of the present day.
2. That we accept and endorse the principle of unemployment insurance, based on compulsory contributions derived from the State, the Employer and the Employee. In this connection, we would point out that a somewhat similar decision was arrived at by a Royal Commission on Industrial Relations, which dealt with this subject in 1919.
3. That the evidence of the Justice Department makes it clear that the responsibility for such legislation rests on the Provincial authorities, it being within their jurisdiction under the provisions of the B.N.A. Act, but that it would be within the power of Parliament to contribute by grant, to such Provinces as adopted such legislation, following the precedent set in the matter of Technical Education, Highway Construction and, more recently, the Old Age Pension Act.
4. That, whereas the conditions of unemployment vary so much more from Province to Province, than those relating to old age, it would be very desirable, for the success of any plan of unemployment insurance that several of the provinces should be willing to act simultaneously. In view of these circumstances, we are of the opinion that this matter should be referred to the various provinces, to ascertain which of them would be prepared to consider adopting legislation of this character, and to what extent.
5. On the very important subject of the cost of unemployment insurance, your Committee has experienced great difficulty in arriving at any definite conclusion owing to the lack of data as to the amount of unemployment, either constant or occasional in character. There appears to be no definite method of ascertaining the unemployment at any given point for any length of time. We, therefore, recommend that the Government immediately devise some means whereby the amount of unemployment, over a period of years, could reasonably be calculated.
6. That as unemployment insurance has been in operation for a number of years in Great Britain, and has recently been thoroughly investigated by a strong committee, and the system re-organized on the basis of their report, your Committee would suggest to the Government the advisability of obtaining, from Great Britain, expert advice on the subject, which would be of service in the formulation of a plan or plans suitable to conditions in Canada, and in arriving at the approximate cost.
7. In order that this matter might be further dealt with, your Committee recommends to Parliament that at the next Session this question be again referred to the Committee on Industrial and International Relations.
8. Your Committee further recommends that 8,000 copies, in English, and 2,000 copies, in French, of this report, and the evidence upon which it is based, be printed in Blue Book form, these to be distributed by the Department of Labour, and that Standing Order No. 64 be suspended in relation thereto.

C. R. McINTOSH,
Chairman,

WALTER HILL,
Clerk of Committee.

MINUTES OF EVIDENCE

COMMITTEE ROOM 375,

HOUSE OF COMMONS,

TUESDAY, May 15, 1928.

The Select Standing Committee on Industrial and International Relations met at 11 o'clock a.m., the Chairman, Mr. C. R. McIntosh, presiding.

The CHAIRMAN: Gentlemen, we have with us this morning Mr. Howard T. Falk, of Montreal. We thought we would like to get his evidence to balance up the evidence given by Miss Childs of Winnipeg.

HOWARD T. FALK called and sworn.

By the Chairman:

Q. First of all, what is your position, what position do you hold?—A. I am Secretary of the Financial Federation of the Montreal Council of Social Agencies.

Q. If you will just proceed and give us your story, we may have some questions to ask you later on?—A. First of all, Mr. Chairman, as you informed me privately, I feel like apologizing to the Committee for not producing a written statement. Your summons reached me while I was on my way back from the Maritime Provinces and I could not do it on account of lack of time.

These agencies raise all the money for a group of non-sectarian agencies, raising approximately \$560,000 a year. I am also Secretary of another organization consisting of more societies, some forty-four in number, and I lecture at McGill University, in the school of social work.

Our Federation of Social Agencies has on its Board some of the most representative people of the City of Montreal, such as Mr. C. E. Neill, General Manager of the Royal Bank, who is Chairman of the Board of Directors, and Mr. E. W. Beatty, who is Chairman of the Advisory Board, and we have other very well known names on these Boards and Committees.

First, Mr. Chairman, I would like to submit to you, not because you have not got the figures, but because perhaps this visualizes it better than I can put it in any other way, a graph which shows the variation of employment in the City of Montreal since 1921. It is based, of course, upon the returns to the Federal Department of Labour, the Employment Service, and it represents approximately thirteen to fourteen hundred employing firms and covers a variation of approximately two hundred thousand to two hundred and fifty thousand employees, and shows a variation of 10 to 15 per cent in the number of employees, which means that there are out of employment in Montreal on the basis of the returns you get, from twenty thousand to twenty-five thousand men as a minimum. I submit that for this reason, that when you show the peaks of employment you get an idea of what it means to have so many men out of employment during the winter season.

That is all I want to say about that, because all these figures are in the possession of your Department.

The next sheet I would like to put in the record, if it is permissible, is a statement of the work of the Protestant Employment Service. That service has been in existence now since a little before January, 1927. These figures

[Mr. Howard T. Falk.]

show throughout the year 1927, month by month, the number of men who were registered with the Employment Service as being out of work and applying for work, as follows, starting with the month of January; January, 555; February, 586; March, 591; April, 469; May, 399; June, 448; July, 338; August, 326; September, 307, which was the lowest month; October, 374; November, 465; December, 538. In 1928, January, 653; February, 480; March, 460; April, 303. There is also a column showing the number of placements made by the Protestant Employment Bureau: Starting with 1927, in January the number of placements was 148; February, 184; March, 282; April, 399; May, 332; June, 248; July, 199; August, 215; September, 274; October, 340; November, 378; December, 298. January, 1928, 250; February, 332; March, 418; April, 432.

The significance of these figures is that they only cover the English-speaking Protestant population of the whole city. The figures are very considerable, and they give you an idea of the amount of unemployment we have to contend against.

(At this point Mr. Woodsworth took the Chair.)

By the Acting Chairman:

Q. Is that Bureau connected with the Government Employment Bureau?

—A. No, it is not, in any way.

Q. What is the reason for its existence at all?—A. The situation unfortunately is this, that the experience of our social agencies in Montreal dealing with Protestants has been that somehow the English speaking Protestant does not get a job readily through the Government Employment Service. Since we established this employment service, which we finance ourselves, there has been an amazing difference in the number of Protestants for whom we can get employment. As a matter of fact, we have been placing almost as many men as the Dominion Government Employment Service in Montreal.

Q. Does that cover both men and women?—A. No, that only covers men. I would like to deal with women from another viewpoint, in a moment or two.

Another set of figures which I would like to submit shows the volume of Protestant Unemployment Relief for 1924-25, 1925-26, 1926-27 and 1927-28; this table shows that in 1924-25 the number of families helped was 950 at an expense of \$26,912; 1925-26, 786 families were helped at a cost of \$24,962; 1926-27, 506 families were helped (conditions having improved) at an expense of \$9,432, and 1927-28, 280 families were helped at a cost of \$6,958. Conditions have been considerably better.

By Mr. Neill:

Q. I thought you said there were only some 400 unemployed every month?

—A. These figures are for people in actual distress, who had to have money spent upon them. We find it cheaper to spend money on Employment Service than to hand out relief.

The next statement I would like to submit is one which I think is very significant. I have here the records for the years 1923 to 1927, inclusive, of the Women's Labour Bureau of the Family Welfare Association. The Family Welfare Association is a voluntary relief and service organization, which takes the place of the Social Service Commission, of which Miss Childs is Secretary in Winnipeg, who has given some evidence before this Committee. There is no municipal outdoor relief in Montreal. These women are working women, who have to subsidize the earnings of the family, especially during the winter months, when the men are unemployed. In 1923 the number of women employed was 864, in 1924 the number was 524, in 1925 the number was 648, in 1926 the number was 442, and in 1927 the number was 489. The number

[Mr. Howard T. Falk.]

of temporary positions—because theirs is temporary work—was in 1923, 8,966; in 1924, 6,941; in 1925, 6,139; in 1926, 5,598, and in 1927, 6,122. Then there are a certain number of continuous positions; in 1923 there were 302; in 1924, 174; in 1925, 175; in 1926, 168; and in 1927, 228. The significance of these figures is that these women, in 90 per cent of the cases, should not be out at work at all; they are simply deserting their families during the day in order to supplement the family income.

By the Acting Chairman:

Q. Were those Protestant women?—A. All Protestants. That is an absolutely Protestant Society, the Family Welfare Association. I cannot speak in specific terms of the non-Protestant work. The Jewish work is carried on on much the same basis, but independently. The Roman Catholics deal with their problem in a different manner; they put their people in institutions. Ours is confined to the work of Protestant families.

By Miss Macphail:

Q. Do you get any grant from the city?—A. \$1,500 a year. The Family Welfare Association gets over \$100,000 a year from the Financial Federation of which I am Secretary. It is a little over one-sixth of the entire budget of the Community Chest.

By Mr. Letellier:

Q. Do you get nothing from the province, or did you ever ask for it?—A. Yes, we certainly did. We have pleaded and pleaded with the Government. Where we are helping families in their own homes, preventing the break-up of the home, we should at least get the equivalent of what is being paid when the home is broken up and the children placed in public institutions. We are asking that the Charities Act be interpreted in this way, that it should consider the welfare of the child, whether placed in its own home or in an institution.

Q. What objection did they give, or what reason for their refusal?—A. Well, the Public Charities Act was, as has been explained by the Director of Public Charities, originally to help institutions. It does not recognize the agency as distinct from the institution, and it has not the same attitude. I am not criticising the French Catholic way of doing things. It is just different. We believe we should maintain the integrity of the family and the home wherever we possibly can. They do not spend very much for relief in the home, consequently we suffer.

By Miss Macphail:

Q. Has recent research proven that to maintain and keep the home together is better than placing the children in an institution?—A. We think so. We think it is more satisfactory. We think the child develops in the home.

Q. The Social Service Council of Canada has made that statement in public, that they consider that it is better to maintain the home than to place the children in an institution?—A. We have certainly found that institutional children, born and brought up to the age of fourteen there, do not make good in the world.

Q. Why?—A. Because they lack all the things that make for self confidence and everything else.

Q. Initiative?—A. Yes.

By the Acting Chairman:

Q. Before you pass from that, you say the Catholics carry on their work through their own institutions, that the Jews have their agencies, and that you are doing work for the Protestants. What about the other miscellaneous religious bodies; there are a great many foreigners, who belong to the Greek Church, or to no church at all; who looks after them?—A. We do. They come to us. We have to care for all the Protestant and the other forty-nine religious persuasions that are itemized in the census.

By Miss Macphail:

Q. You do not pretend to be Protestant?—A. We are Protestant, but non-sectarian.

By Mr. Ross (Kingston):

Q. You said the employment service was a Dominion organization?—A. Dominion and Provincial. There is a Provincial Department of the Federal Service.

The next bit of evidence I would like to submit is this, which I think is significant, in this way, that it has to do with the employment of children. Since March, 1920, a little over eight years, 19,113 work permits have been granted to children in Montreal.

By Miss Macphail:

Q. What do you mean by that?—A. This means that they must be under fourteen years, unless it is the exceptional child over fourteen. There is no compulsory Education Act. The law says that a child must be able to read and write in order to work. I suppose 99 per cent of these are under fourteen years of age. It is simply the economic pressure that necessitates that.

Q. What class of work do they do?—A. Anything that they can do; they work in stores, they work as messenger boys. It applies to any kind of work.

By the Acting Chairman:

Q. Are they permitted to work in factories?—A. Not under the Factory Act, although in the rural districts there has been a good deal of work done by children on permits, because of the tremendous economic pressure in large families. The Dominion Textile Company have had great difficulty; they do not want to do it, but their managers have had tremendous pressure put upon them.

By Miss Macphail:

Q. It is terrible to have them go out to work at that early age?—A. It is very significant but I think it is bad to see children almost grown up playing around; they would be better off if they were doing something. I would sooner see them working than playing around. I think if we could make the compulsory school age sixteen years we would solve a number of our industrial problems. If we raised the school age to sixteen, there would be more chance for all. That is one of the troubles of the whole situation.

The next thing I want to deal with is, the relation of unemployment to sickness dependency. It is obvious that unless we can carry on research work, except at very great cost, it is impossible to get exact figures, and our Council has no money to spend on expensive research work, but I can say this, out of an experience of ten years in Winnipeg directly in charge of relief work, because I held the position Miss Childs holds at the present time, and ten years in Montreal, where I have been close to the situation although not administering relief, that sickness, which is the greatest single cause of depend-

[Mr. Howard T. Falk.]

ency in families, in a very large number of instances can be traced to unemployment at a previous stage. It is only natural that that should be so, because whilst we are perhaps inclined to think that the unemployed man is quick to seek relief, that is not our experience except—I am ashamed to say this in respect of my own countrymen (Englishmen) who have become demoralized before they came out here; but with the ordinary man it means that he does not seek relief until he is down and out, having burned up his furniture to supply heat, and has gone without food for himself and his wife. In dozens and hundreds of instances, where we get sickness in the winter, the history of that family in the previous winter has been one of unemployment.

In considering the whole question of unemployment and unemployment insurance, which I believe is in the back of the minds of some of this Committee, that feature ought to be considered. I would like to suggest this, that in industry, the owner of the physical machinery of industry, wood, steel, iron, or whatever it is, is extraordinarily careful that when a machine is not in use it is kept adequately cared for, oiled and so on; if not, it goes on the scrap heap, because when he wants to use it again it is no good. With human beings, who are first employed and then are unemployed, they do not receive the same attention, that is to say, they have not an income to enable them to keep themselves in repair, consequently your human machinery, your unskilled labourers in particular, are actually deteriorating in value.

Now, Mr. Chairman, there are lots of other phases of this question I would like to touch upon, but perhaps you would like to ask me some questions.

By the Acting Chairman:

Q. Before you pass from that point, your evidence is somewhat different from that given to us the other day; we had a representative from the Canadian Manufacturers' Association, who took the ground that the workers, when they are employed, should be able to lay up sufficient to provide for periods when they are unemployed. Have you any evidence to show whether they are really able to do that; is the wage sufficient during the time they are working to provide for periods of unemployment?—A. I am very glad that that question was asked by you, Mr. Chairman, for this reason, that in the Council Agencies, of which I am Secretary, we have a very able personnel of both women and men on its Committee; it is not done by professional workers. Two years ago we appointed a Committee to study the question of the cost of living in relation to wages, and I have their report before me. The personnel of the Committee was: Mrs. James Eccles, Mrs. Andrew Fleming, Mrs. H. M. Jacquays, Miss Grace Towers, with George B. Clarke, Esq., as Chairman.

That Committee did a really excellent piece of work, which your Deputy Minister of Health said had given him more information than anything else in Canada. I was not connected with it, so I can say this freely. The result of their deliberations showed that the absolute minimum necessary for the maintenance of a man, woman, and three children, which is considered a normal family for statistical purposes, was \$1,101.76. If it is permissible, I will be glad to put this report into the record. This means an average of \$91.81 per month.

(Mr. McIntosh having resumed the chair.)

The CHAIRMAN: Shall we have this statement put in, as Mr. Falk suggests, or shall he read it all? Can you read the main extracts, and then we can have the whole statement put in?

WITNESS: The amount was \$1,101.76 per annum.

(The following is the statement above referred to.)

[Mr. Howard T. Falk.]

MONTREAL COUNCIL OF SOCIAL AGENCIES

The Dependency and Delinquency Division of the Montreal Council of Social Agencies herewith present an interim report of the special committee appointed to study the cost of living and wages in Montreal.

The report submitted covers at the present time only the part of the Committee's work which has to do with the cost of living. Later on certain suggestions are made in respect to the question of wages, which we hope will receive the serious consideration and co-operation of the Executive Committee of the Council.

1. *Personnel of the Committee*

Mrs. James Eccles, Mrs. Andrew Fleming, Mrs. H. M. Jaquays, Miss Grace Towers, George B. Clarke, Esq., Chairman.

2. *Method pursued*

Mrs. H. M. Jaquays, Miss Grace Towers and Mrs. Andrew Fleming undertook, as a sub-committee, to study a food and clothing budget. The results were arrived at by the most careful estimating of quantities, qualities, varieties and prices of food and clothing. Nothing was done by guess work, experimentation and actual pricing being carried out in every instance. Corner store prices for food were listed, as the majority of families must do their shopping in the district where they live. It is recognized that the amount for clothing represents an absolute minimum.

3. *Results criticized*

The original report of this sub-committee was submitted to the most expert criticism of dietitians, and to the criticism of members of all divisions of the Council. The full report in its finally amended form is attached as Schedule A.

4. *Comments on Schedule A*

The minimum figure is \$1,101.76 per annum, or \$91.81 per month. However, it must be noted that this total is only arrived at by deliberately excluding from the budget all provision for the following items:

- (a) *Health Expenditures*, i.e., examination of teeth, medical examination, or the alternative provision for
- (b) *Doctors' or dentists' fees*, medicines, etc. The Committee went on the assumption that the family was an independent working class family, which was not expected to have to depend on charitable service of any kind, but elimination of all health or sickness allowance would force it to seek the service of charitable agencies, particularly in the event of a birth or death in the family.
- (c) *Higher Life Expenditure*, i.e. Life insurance, Christmas or birthday gifts to members of the family, union dues, church and charity, books and magazines, postage and stationery.
- (d) *Luxuries*. Amusements of any kind at all, tobacco, candy.
- (e) *Household utensils*. The original budget included a nominal sum for this purpose, but it was considered by experts to be so inadequate that it was thought better to leave it out altogether, merely calling attention to the fact that there was absolutely no provision in the budget for the replacement of china, tinware, towels or bedding.

[Mr. Howard T. Falk.]

Comparison with other Budgets

The Labour Gazette, published monthly by the Department of Labour at Ottawa, gives the budget for a family of five each month. For the month of January, 1926, the Labour Gazette's yearly budget works out as follows:

Food	\$ 604 76	
Fuel and Light	178 88	
Rent	240 00	
		\$1,023 64

The Labour Gazette, however, gives no figures for clothing, water, etc., but indicates that the three items listed will be found to be about 65 per cent of the necessary expenditure of the average family.

Therefore, if this \$1,023.64 is 65 per cent of the total, the annual expenditure will be \$1,574.80 or \$131.23 per month, which in terms of wages means a required wage of 58 cents per hour, 9 hours per day, 300 days in the year, as against a required wage of 41 cents an hour, 9 hours per day, 300 days a year, to produce our minimum of \$1,101.76 per annum.

We do not suggest that the Labour Gazette is wrong, or that we are right, but merely wish to call attention to the discrepancy, to show that if we have erred, it has been on the side of underestimating rather than overestimating the cost of a working class family budget. The rate per hour required to produce the given totals has been worked out on a 9 hour day, and not on the regulation 8 hour day accepted at the Geneva convention by the after-war conference, because as will be shown later, the nine hour day is more common in Montreal than the eight hour day. The 300 day year will be recognized as a very generous estimate of the number of days' work during which the average day worker is employed.

The Study of Wages

The returns to date on wages paid, made by social agencies, have been small in number, and of little significance, and we feel that that is not the right way to go about this part of our study.

We want to be quite open and frank with the employers of labour in this matter. We commenced the study with the authority of the Executive Committee of the Council because we questioned in our minds as to whether all the problems of sickness, poverty, and delinquency were not in part, at least, attributable to insufficiency of income.

We believe we have made a study of the cost of living for a family of five, which is ultra-conservative in its estimates, and which any employer who gives it careful consideration will readily agree is ultra-conservative, and represents a scale below which no family could maintain its industrial efficiency or social normality.

Yet we should point out that even this conservative estimate is higher than the scale of relief given to its dependent families by the Family Welfare Association. Is it higher or lower than the incomes of thousands of working class married men? The employers of labour can most accurately and quickly answer this question.

We urge the Executive Committee of the Council to take steps at once to approach the Board of Trade, or the Manufacturers Association, laying this report before them, and asking them to give us the facts as to wages paid.

Some indication of the answer which may be expected will be found in these facts.

City labourers are paid in Montreal at the present time, i.e. April, 1926:

	Per Hour	Day	Annual Income
Labourers.....	0 35	10 hrs.	\$1,050
Helpers to blacksmiths and electricians...	0 40	9 hrs.	1,080
Builders' labourers.....	0 40	10 hrs.	1,200
Blacksmiths and machinists.....	0 60	9 hrs.	1,620
Cement finishers, electricians and carpenters	0 65	9 hrs.	1,755
Steam fitters, plumbers, stone cutters...	0 75	8 hrs.	1,800
Bricklayers.....	1 00	44 hr. week	2,288

The estimated annual incomes are based on the bold assumption that all these people work 300 days per year.

Above we have dealt with workers who are in large per cent of their total number seasonally engaged, hence their incomes are actually very much less than the figures given.

If we turn to another group of workers altogether, people who are more likely to be employed on a weekly or monthly basis, and employed throughout the year, such as warehouse men, janitors, watchmen, etc., we find that the wages vary from \$15 to \$22 per week, i.e. \$780 to \$1,144 per annum, on the basis of a 52 week year; it will be noted that 1 and 2 of the above list and these weekly wage employees even on this basis will receive less than our minimum budget.

Respectfully submitted.

Chairman.

Secretary.

COST OF LIVING SCHEDULE A

Budget for Man, Wife, and Three Children, Girl of 13, Boys, 11 and 9 years

SUMMARY FOR THE YEAR

	Month	Year
Housing (4 rooms).....	\$18 00	\$ 216 00
Fuel.....	44 00	528 00
Fuel, light and gas.....	7 55	90 60
Clothing.....	15 20	182 40
Water tax.....	1 08	12 96
Car fares.....	3 65	43 80
Newspaper.....	0 50	6 00
School books.....	1 00	12 00
Soap.....	0 83½	10 00
	<hr/>	<hr/>
	\$91 81½	\$1,101 76

Weekly Allotment	Corner Store Prices	
	cts.	\$ cts.
Milk and Cheese—		
14 qts. milk.....	14	1 96
½ lb. cheese.....	25	12½
Eggs and Meat—		
3 lbs. round steak.....	20	60
3 lbs. corn beef.....	22	66
2 lbs. haddock.....	12½	25
1 lb. liver.....	30	30
1 doz. eggs.....	45	45
Vegetables—		
4 lbs. carrots.....	3	12
2 lbs. turnips.....	3	6
2 lbs. onions.....	5	10
12 lbs. potatoes.....	2½	30
2 tins tomatoes.....	10	20
Fruit—		
6 oranges.....	30	15
18 apples.....	30	30
1 lb. prunes.....	12½	12½
1 lb. figs.....	12½	12½
¼ lb. raisins or currants.....	16	4

[Mr. Howard T. Falk.]

Bread and Cereals—		
14 lbs. bread..	12	1 68
2 lbs. flour..	7	14
1 lb. macaroni..	8	8
1 lb. rice..	9	9
$\frac{1}{2}$ lb. cornmeal..	6	3
$3\frac{1}{2}$ lbs. oatmeal..	6	21
$\frac{1}{2}$ lb. sago..	10	$2\frac{1}{2}$
$\frac{1}{2}$ lb. tapioca..	10	$2\frac{1}{2}$
$\frac{1}{2}$ lb. barley..	10	5
$\frac{1}{2}$ lb. split peas..	10	$2\frac{1}{2}$
$\frac{1}{2}$ lb. beans..	9	14
2 lbs. sugar..	7	
Sweets—		
1 lb. jam..	$12\frac{1}{2}$	$12\frac{1}{2}$
$\frac{1}{2}$ lb. corn syrup..	9	$4\frac{1}{2}$
Fats—		
$1\frac{1}{2}$ lbs. butter..	46	69
1 lb. lard..	21	21
$\frac{1}{2}$ lb. suet..	18	9
$\frac{1}{2}$ lb. cocoa..	16	8
1 tin peanut butter..	25	25
$\frac{1}{2}$ lb. tea..	60	15
$\frac{1}{2}$ pkg. cornstarch..	12	3
$\frac{1}{2}$ pkg. baking powder..	32	4
$\frac{1}{2}$ tin pepper..	9	$2\frac{1}{4}$
$\frac{1}{2}$ bag salt..	10	$2\frac{1}{4}$
		\$10 14

MENUS FOR ONE WEEK AS PER ALLOTMENT

MONDAY

Breakfast.—Large bowl of porridge, sugar, 2 slices of bread each, butter, 1 cup of milk per child, tea and $\frac{1}{4}$ cup of milk per adult. Repeat.

Dinner.— $1\frac{1}{2}$ lbs. round steak in stew, dumplings, tomatoes, cornstarch pudding and jam.

Tea.—5 boiled eggs, $\frac{1}{2}$ lb. stewed prunes, 2 slices of bread each, milk and tea as above.

TUESDAY

Dinner.—3 lbs. corn beef, carrots, 10 potatoes; corncake made from 1 egg, $\frac{1}{2}$ cup of milk, sugar, salt, lard, cornmeal, white flour; corn syrup, milk and tea as above.

Tea.—Pea soup with water beef was boiled in and 1 cup of peas, i.e. $\frac{1}{2}$ lb.; 2 slices of bread each, baked apples, milk and tea as above.

WEDNESDAY

Dinner.—Cold corned beef, carrots, 10 potatoes, 1 slice of bread each, rice pudding from $\frac{1}{2}$ cup of rice, $4\frac{1}{2}$ cups milk, sugar.

Tea.—Macaroni and cheese, with 1 cup of milk; cocoa $2\frac{1}{2}$ cups of milk, 1 cup of water; currant buns, from 2 cups of flour, water, sugar, currants, baking powder, lard; 2 slices of bread each, jam, tea and $\frac{1}{4}$ cup of milk per adult.

THURSDAY

Dinner.— $1\frac{1}{2}$ lbs. round steak minced, $\frac{1}{4}$ cup of boiled rice, 1 turnip, suet pudding from flour, suet, raisins, baking powder, $\frac{1}{2}$ cup of milk, with corn syrup, 1 slice of bread each.

Tea.—Fried potatoes, 2 slices of bread each, stewed figs, 1 cup of milk per child, tea and $\frac{1}{4}$ cup of milk per adult.

[Mr. Howard T. Falk.]

	\$ cts.	Per Year \$ cts.
1 sweater coat (2 years).....	2 98	1 49
1 pr. corsets.....	1 49	1 49
2 nightgowns.....	1 39	2 78
1 pr. overstockings.....	1 00	1 00
1 wool muffler.....	0 59	0 59
3 pr. shoe laces.....	.....	0 05
1 tooth brush.....	0 40	0 40
1 pr. garters.....	0 10	0 10
2 pr. shoes.....	2 95	5 90
Repairs to shoes.....	.....	2 50
1 kimona (2 years).....	1 50	0 75
		<hr/>
		46 79

GIRL

2 hats.....	1 00	2 00
1 wool cap.....	0 30	0 30
1 pleated skirt (2 years).....	3 00	1 50
1 sweater (2 years).....	1 80	0 90
1 winter dress (2 years).....	3 00	1 50
2 summer dresses.....	1 00	2 00
1 coat (3 years).....	6 00	2 00
6 handkerchiefs.....	0 05	0 30
6 pr. stockings.....	0 50	3 00
2 pr. gloves.....	0 19	0 38
2 nightgowns.....	0 80	1 60
2 summer vests.....	0 35	0 70
2 summer knickers.....	0 29	0 58
2 winter vests.....	0 55	1 10
2 winter knickers.....	0 39	0 78
2 pr. shoes.....	2 00	4 00
2 pr. rubbers.....	0 50	1 00
1 pr. running shoes.....	1 00	1 00
1 pr. overstockings.....	1 00	1 00
1 muffler.....	0 59	0 59
1 pr. garters.....	0 10	0 10
3 pr. shoelaces.....	.....	0 05
1 tooth brush.....	0 40	0 40
Repairs to shoes.....	.....	2 50
		<hr/>
		29 28

Boy

1 cap.....	0 49	0 49
1 wool cap.....	0 29	0 29
2 pairs trousers.....	1 27	2 54
1 sweater (2 years).....	1 79	0 89
1 overcoat (3 years).....	6 00	2 00
6 pairs stockings.....	0 50	3 00
2 suits winter underwear.....	0 98	1 96
2 pair shoes.....	2 00	4 00
6 handkerchiefs.....	0 06½	0 37½
2 pairs mitts.....	0 29	0 58
2 pairs rubbers.....	0 50	1 00
1 tie.....	0 39	0 39
2 khaki shirts.....	0 69	1 38
2 khaki shorts.....	0 59	1 18
2 pyjamas.....	0 98	1 96
1 belt.....	0 20	0 20
2 pairs garter.....	0 10	0 20
3 pairs shoe laces (2 years).....	.....	0 05
1 muffler (2 years).....	0 58	0 29
1 pair running shoes.....	1 00	1 00
1 pair overstockings.....	1 00	1 00
1 tooth brush.....	0 39	0 39
Repairs to shoes.....	.....	2 50
		<hr/>
		27 67

RECAPITULATION

Man.....	50 99
Woman.....	46 79
Girl.....	29 28
Boy.....	55 34
	<hr/>
	\$182 40

[Mr. Howard T. Falk.]

By Miss Macphail:

Q. You said the amount was \$1,101.76 per annum; was that the absolute minimum?—A. That was the absolute minimum. There were some qualifications to that. The amount is \$91.81 per month. This is only arrived at by deliberately excluding from the budget all provision for the following items; health expenditures, such as examination of teeth, medical examination, or the alternative provision for doctors' or dentists' fees, medicines, etc. The Committee went on the assumption that the family was an independent working class family, which was not expected to have to depend on charitable service of any kind, but elimination of all health or sickness allowance would force it to seek the service of charitable agencies, particularly in the event of a birth or death in the family. Next, the elimination of any higher life expenditure, such as life insurance, Christmas or birthday gifts and so forth, no union dues, no church and charity, no books, magazines, postage or stationery. These were all eliminated from that figure. Then in addition to all that, there was nothing for luxuries, amusements, tobacco, candy or household utensils. The original budget included something for household utensils, but that was left out, and there was nothing for the replacement of china, tinware, towels or bedding.

I would like to say in regard to this report that it has been examined by a great many people in various walks of life, and this amount has been considered an absolute minimum, without any provision for these things which I have emphasized.

I am taking a long time to answer your question, Mr. Chairman. I told you that the Committee was appointed to study the cost of living in relation to wages. When they had done this, they said they would not touch the question of wages, that they would put it up to the Board of Trade and the Manufacturers' Association of Montreal, that those bodies were in a better position to get at the wages than the Committee were. It is in the hands of the Board of Trade now.

We were able to get certain contract labour rates; for instance, labourers at 35 cents per hour, with a ten hour day, which produced an annual income of \$1,050, on the basis of a 300 day year. So that on the face of it the labourer, even if he is working a 300 day year (and there are very few who work 300 days in a year) cannot possibly make any provision for unemployment. The next was, helpers to blacksmiths and electricians; they were paid 40 cents an hour for a 9 hour day, which produced an annual income of \$1,080, and builders' labourers, who were paid 40 cents an hour for a ten hour day, which produced an annual income of \$1,200.

So that, Mr. Chairman, in answer to your question, I would say that for the rank and file of labourers, and I would even apply this to a number of skilled trades, because there are many who do not get anywhere near 300 days a year, it is possible to make any provision for unemployment. Electricians at that time were getting 65 cents an hour.

By Mr. Ross (Kingston):

Q. Is the helper an apprentice?—A. No, he is only a handy man; he is really learning the trade. He is not a formal apprentice; he is just like a brick-layer's helper.

By the Chairman:

Q. If I may be permitted to ask a few questions, I have one or two I would like to ask. You have had a great deal of experience with immigrants, both in the West and in Montreal?—A. Yes.

Q. Would you say that the unemployment situation in Canada has at all affected the stream of emigration to this country?—A. I would not only say so, Mr. Chairman, but I happen to have just come back from a speaking trip to

[Mr. Howard T. Falk.]

the Maritime Provinces, where I have distinctly said so, because I thought the thing was so important. At the present time Mr. E. W. Beatty, Sir Charles Gordon and the papers are crying out for immigration. Why should we not get immigration? One says that perhaps the tariff is not high enough; another says, "Get the people and the thing will right itself." I was in Canada from 1908 on, steadily. From 1909 to 1913 people poured into this country because it was a better place for them to live in than the places from which they came. In giving evidence before the Dominion Royal Commission, I think in 1912, I said much the same thing. In 1915 I was in a position to analyze the cause of immigration from the Slav countries; they came, as they put it, because they could get 160 acres for \$10. My experience in the last ten years—in the last five years particularly—is this, that people are not coming to this country, or if they are, they are not staying, because relatively it is not a good place for them to be in. That may seem an awful thing to say, and an unpatriotic thing to say. I know we need immigration, but until the labourer can be relieved of the constant fear he is in of actual suffering for himself, his wife and children, we cannot get them to come to this country.

By Miss Macphail:

Q. We do not need any we cannot absorb?—A. I do not think you will get them, whether you need them or not. I have said so time and time again. I have said it five times on platforms in the Maritime Provinces, where the people absolutely approved of it.

By Mr. Ross (Kingston):

Q. Do you say that conditions in Europe are better than they are here now?—A. Well, I said Europe originally, but I am speaking in terms of England; I am an Englishman. They have an unemployment insurance scheme there, and a man says that if he cannot get any work he can at least get relief from unemployment insurance. You have only to go there to realize that whilst conditions are not particularly good you do not get that appalling suffering you get under the climatic conditions we have in Canada.

Q. You said something about your own countrymen; you made some reference to them?—A. Yes, I did. In the early years, about 1908, you got people coming out under assisted passage schemes, people who had been demoralized under the old English Poor Law Act, where the people did not want to help themselves. Those people cannot get into the country now.

Q. Do you see any difference between people of particular nationalities, between the Scotch and the English?—A. I have always thought, but Mr. Bruce Walker used to say not, that the Scotchman was more thrifty and better able to look after himself than the Englishman.

By Mr. Letellier:

Q. What amount do they get from this unemployment insurance, and is it paid weekly or monthly, for those who are out of work?—A. It is paid weekly, I think, although Mr. Woodsworth can tell you better than I can. It is paid weekly; it is enough to live on, not riotously, but people have been known to marry on it. It is 17 shillings a week for a man and 15 shillings for his wife.

Q. Did you say there were 25,000 unemployed in Montreal in the winter time?—A. I said in variations in the peak of unemployment and employment; the number of those employed and those unemployed shows a variation of from 20,000 to 25,000 in those industries.

Q. On what basis does your association help them?—A. You mean, how do we decide whether we will help or not? How do we give assistance?

Q. Yes. How do you give it to them?—A. I am almost ashamed to admit that, because in unemployment relief we give in kind; we actually give food rations. We do that for economy's sake, because we have not enough money. It is impossible to make adequate investigations to find out whether or not the money is well spent.

By Miss Macphail:

Q. Would you be much better satisfied to pay this money?—A. Yes. Relief in kind upsets the markets for the small stores.

By the Chairman:

Q. Before you get away from immigration, would unemployment insurance, if adopted in Canada, in your opinion help the question of immigration; would we then be more likely to induce a good class of immigrant to come to this country?—A. I think anything that tends to reduce the fear of actually being in distress will help. I am speaking of Englishmen now; when he arrives here and during his first year in Canada, until he can establish himself, anything like that would help immigration. We have found that the thing that induces immigration more than anything else is not advertising by railway companies or steamship companies; it is the word of mouth, message or letter written back by the successful immigrant. That is the thing that counts. When studying it in 1915, I found that advertising had not amounted to a row of pins, but that that which induced the immigrant to come to this country was the result of a trip home, or a letter back from this country.

By Mr. Ross (Kingston):

Q. Do you find that in the month of November, when they bring immigrants in, it is a great mistake?—A. As to foreign immigration, it is so serious that last year we nearly took it up with the local members of the government. They are either actually unmarried, or their families are in the Old Country. All these men want to do is, to get a footing. They want to learn the language, and they will sell their labour at almost any price to get that experience in the country. You can go into restaurants and ask who are employed, and they will say, "foreigners"—and I believe in the hotels too. They do undoubtedly throw out of employment a large number of people already employed in the city.

Q. You think we should not bring them here in November, but that they should be kept out until March or April?—A. I do not think anyone would want to come here in November.

By Miss Macphail:

Q. I remember having a talk one time with Professor Gilbert Jackson, and he thought it scandalous that immigrants should be allowed to come here after September.—A. The immigrant coming out here with a particular desire to work on the farm or in the country, if he arrives in September, will not have an easy time. I can speak feelingly upon that point.

By Mr. Letellier:

Q. It should be the spring time?—A. Anywhere from April to June.

MISS MACPHAIL: If they can get a job they cannot save very much, even if they do earn, if they do not come until the winter.

THE CHAIRMAN: The men who go out on farms, especially the non-English.

[Mr. Howard T. Falk.]

By the Chairman:

Q. I know some years ago you made an investigation, Mr. Falk, as to the numbers which drifted back to the cities, and the reasons. I wonder if you could recall the proportions?—A. I can recall them pretty definitely. In 1915, just after the War started, there was an enormous number of unemployed in Winnipeg. I was detailed off from my work to work among the unemployed foreigners, I got so tired of handing out relief to city men. Ninety-four per cent of these people had come from the Old Country, and had either owned, leased or worked as labourers on farms, and came to the country with the intention of farming. The only reason they got sidetracked was that they understood there was a chance here to get employment at good wages, and they had been induced to speculate in real estate. About half way through the investigation we thought we would try and get a holding company organized in the city, to get them out on homesteads which most of them actually had in the country. We took only those who had a sufficient equity on the assessed value of the land to enable them, in the opinion of Mr. J. Bruce Walker and Mr. W. J. Black, who was at that time at the Agricultural College, and myself and others, to get back, and it could have been done if we could have got somebody to take over their homes. Ninety-four per cent of those men had done nothing but work on farms, except a little bit of carpentering on their own homes; they had come to the country to farm, but had got sidetracked in the city.

By Miss Macphail:

Q. The way to get at that is, to get at the problems of agriculture in the country. If we are going to attract immigrants, we had better tackle the problems that confront life in the country?—A. You have to make things socially attractive in the country so that the man who has had a pub right around the corner will not be lonely there.

By the Chairman:

Q. Do you suggest that there should be a few more pubs?—A. No, I do not, but when you put people on quarter sections, where there is no social life for them until they can afford radios and things of that kind, you see what they are up against.

By Mr. Neill:

Q. In England they have the pubs open on Sunday?—A. Mr. Chairman, if I may continue on the question of unemployment insurance, I feel very strongly that unemployment insurance will be very difficult to operate in this country, but is desirable for this reason, which is perhaps the most important. I do not believe that until the employers of labour have to contribute something they will take full cognizance of the importance of unemployment insurance in relation to labour. You can waive the humanitarian aspect of it, if you want to, but I believe that the basis of industrial efficiency and the maintenance of actual effectiveness of the worker is that we must pay attention to these problems.

Q. It would be cheaper?—A. It would be cheaper. I would like to be allowed to quote from the summary of an article by Mr. Henry S. Dennison on the subject of unemployment relief. The Dennison Manufacturing Company was an industry which was very seasonal in its character; the demand of the public made it seasonal in character. A Commission came out from the Old Country to enquire into conditions in Canada and the United States, in 1926, and the report was published in 1927. These are Mr. Dennison's words:

The reasons which are usually advanced in opposition to unemployment insurance are that wages are already high enough to enable the wage earners to tide over a period of unemployment; that it may make the workers less afraid of losing their jobs and consequently less energetic; that it will tend to decrease saving; that it will be too costly for the employer; or that it is too hard to administer. In reply to these objections, the writer says that although average wages show some advancement over pre-war rates, the average yearly wages now paid in the manufacturing industries are only \$1,265, which is a bare subsistence wage for families with two dependent children and, further, that as this figure is an average, about half the workers in this group receive less than this amount. The fear of losing a job through inefficiency may act as an incentive, but fear of an unexpected and unmerited lay-off may have the opposite effect and may foster a belief in the necessity for prolonging the job. As to the objection that unemployment insurance may tend to diminish savings, even savings, it is said, can be purchased too dearly.

The cost of unemployment insurance, where it is actually in effect, is said to be surprisingly small, and compared with the cost of labour turn-over it may even be found that unemployment insurance would actually represent a saving. It is admitted that there are difficulties in the administration of unemployment relief, but the writer considers that it is probably no more difficult to administer than other management features.

In any scheme of unemployment relief, measures to regularize employment are important, since it is better to reduce unemployment than to pay for it. The principal measures taken by this firm to insure steady employment are long-range stock-goods planning; getting seasonal special orders in early; adding stock items to supplement special products; developing lines for supplementary seasons; training operatives for supplementary jobs; and watching the cycle and limiting expansion at its peak. As these methods sometimes fail the company has assumed the responsibility of paying for temporary unemployment on the ground that the opportunity to reduce unemployment rests largely with the employer. There is no guaranty on the part of the firm, however, in the establishment of the unemployment fund, of employment or of the maintenance of the regular wage rate, or that the fund will be renewed.

As I said before, the Dennison Company had the most seasonal employment of any type of company, and now it has reduced unemployment to a point where it can carry all of its unemployment except for a little relief.

I would like also to quote from a statement made by Mr. Charles M. Schwab, who in an address on the occasion of his retirement from the Presidency of the American Society of Mechanical Engineers, said in part as follows:

There are reasonable wants of employees which they have a right to see satisfied as far as conditions of industry permit.

I believe they include the payment of fair wages for efficient services; *steady, uninterrupted employment*; safe-guarding of their lives and health, good physical working conditions; a voice in the regulation of conditions under which they work; provision for them to lay up savings and to become partners in the business through stock ownership; and finally, some guarantee of financial independence in old age.

The records of our own company illustrate the substantial progress which has been made in reducing those peaks and valleys. Whereas the high and low points of employment a few years ago fluctuated 50 per cent from the average, during the following years these fluctuations were

[Mr. Howard T. Falk.]

steadily reduced until in 1926 the high and low points of employment as measured by the payroll varied hardly 8 per cent from the average for the year.

This regularity of work is not only of vital importance to employees but it has a far-reaching influence on good business.

Even with good wages and steady employment the working man is likely to lack one factor essential to his fullest efficiency and greatest interest in the company by which he is employed.

This factor is ownership. A sense of proprietorship affords a powerful incentive to arouse interest in the performance of work. This principle has been the motivating influence of those who have been willing to take the risk incident to the building of all business. Its application to the wage earner in industry is relatively new, yet nowhere is the wholehearted interest of human beings so necessary and vital to successful accomplishment.

I think it is significant that that report was considered by the Financial Federation of the Montreal Council of Social Agencies and the Board of Directors, and it was accepted by the Board of Directors of the Financial Federation, which includes all these men, before it was submitted to the public.

By Mr. Neill:

Q. Are you putting this whole report in as an annex?—A. That is for the Committee to say?

(The following is the report above referred to.)

REPORT OF BOARD OF DIRECTORS TO THE SIXTH ANNUAL MEETING OF THE MEMBERS OF THE FINANCIAL FEDERATION OF THE M.C.S.A.

LADIES AND GENTLEMEN.—We have pleasure in presenting to you the report of your directors for the twelve months ended December 31st, 1927, which completed the fifth full years' operations of the Financial Federation.

FINANCE

The reports of the honorary treasurer, the budget committee and the campaign chairman will supply you with detail of every phase of the financial operations and financial position of the federation.

It will be sufficient to point out to you that the net cost of operation of federation, which includes the entire cost of the campaign and the cost of administration throughout the year decreased from 3.0 per cent in 1926 to 2.65 per cent in 1927. When it is remembered that at the inception of federation it was promised that the cost of operation would be kept to 5 per cent you will see how successfully your directors have kept this promise. The decrease in 1927 was made possible by a substantial appreciation in the value of the bonds purchased with the cash received at the time of the campaign.

Before federation many agencies found themselves continuously in the position of having to pay interest on overdrafts to their banks. Since federation in the five years ended December 31st, 1927, the interest earnings and net profit on sale of securities purchased have amounted to \$59,314. In 1927 the interest earnings and profit on sale of securities amounted to over 50 per cent

[Mr. Howard T. Falk.]

Family Welfare Association was kindly received and is still receiving consideration.

The difficulty lies in the fact that the Public Charities Act was planned primarily to help institutions of all kinds to maintain indigents apart from their families, a policy not in keeping with the principle on which Protestant social work is organized.

This principle recognizes the family as the basic normal unit of society and prescribes that wherever possible dependent children or adults shall be assisted to maintain the normal family life even to the point of maintaining aged couples in preference to caring for them in separate institutions.

The loss of support from the Public Charities Act suffered by federation agencies as a result of conforming to this principle is a matter of very grave concern to your directors.

THE PROBLEM OF UNEMPLOYMENT RELIEF

During 1927 your directors were obliged to appropriate \$6,000 to the Family Welfare Association for this purpose, this sum was not sufficient and the Association ended its year with a deficit of over \$3,000 which was largely accounted for by extra relief to the unemployed.

In 1928 \$6,000 was again included in the budget for the purpose of unemployment relief and after less than two months of the year has passed over \$4,000 of this amount has been expended. The average uninformed citizen is apt to consider industrial conditions from the standpoint of the condition of the stock market; others who have some knowledge of the labour market and watch index figures published by the Ministry of Labour at Ottawa are apt to judge unemployment conditions by the index figures for employment.

In actual fact neither the condition of the stock market nor the index figure for employment based on the relation of the number employed now in certain industries to the number who were employed in 1920 in similar industries can afford an accurate basis for an estimate as to the amount of unemployment in the city.

Two factors contribute to unemployment, first and foremost the seasonal character of shipping, allied and other industries, secondly, the influx into the city of immigrants foreign and British, and the influx into Montreal of single men from other localities. Immigrant labour and labourers without families to support, whether immigrants or not, but who come into the city during the winter months, are as a rule willing to take a lower rate of wage than the summer scale. They can afford to underbid the permanent resident of Montreal with a family to support. It is not unnatural therefore that they should aggravate the problem of unemployment amongst the permanent residents.

The situation is a serious one from the standpoint of relief. On the one hand the creation of a permanent committee or department for the relief of the unemployed would tend to encourage dependence and discourage thrift and saving to tide over periods of unemployment which many wage earners experience.

On the other hand, failure to relieve real distress from unemployment has a disastrous effect on the morale, physical and frequently the mental health of the worker and his family and invariably results sooner or later in applications for hospital care, nursing care and relief in the home on account of sickness.

A contributory scheme of compulsory unemployment insurance in which the employed, the employer, and the state participate such as exists in many countries to-day and in some individual industries as for example in the Denison Manufacturing Company, suggests the most reasonable and satisfactory solution of the problem and your directors feel that this whole question is one which deserves the earnest attention of the Board of Trade and Manufacturers Association.

[Mr. Howard T. Falk.]

In this connection one may well quote the well-known steel magnate, Charles M. Schwab, who in an address on the occasion of his retirement from the presidency of the American Society of Mechanical Engineers said in part as follows:

There are reasonable wants of employees which they have a right to see satisfied as far as conditions of industry permit.

I believe they include the payment of fair wages for efficient services; steady, uninterrupted employment; safe-guarding of their lives and health, good physical working conditions; a voice in the regulation of conditions under which they work; provision for them to lay up savings, and to become partners in the business through stock ownership; and finally, some guarantee of financial independence in old age.

The records of our own company illustrate the substantial progress which has been made in reducing these peaks and valleys. Whereas the high and low points of employment a few years ago fluctuated 50 per cent from the average, during the following years these fluctuations were steadily reduced until in 1926 the high and low points of employment as measured by the payroll varied hardly 8 per cent from the average for the year.

This regularity of work is not only of vital importance to employees but it has a far-reaching influence on good business.

Even with good wages and steady employment the working man is likely to lack one factor essential to his fullest efficiency and greatest interest in the company by which he is employed.

This factor is ownership. A sense of proprietorship affords a powerful incentive to arouse interest in the performance of work. This principle has been the motivating influence of those who have been willing to take the risk incident to the building of all business. Its application to the wage earner in industry is relatively new, yet nowhere is the whole-hearted interest of human beings so necessary and vital to successful accomplishment.

In the meantime as a temporary measure your directors suggest that the emergency unemployment relief committee, which has continued to function as the agent of the Family Welfare Association in the administration of the appropriation already made, should be asked to carry on. In future years it is possible that an independent appeal for funds might be conducted outside of the regular appeal for the budgetted needs of the agencies for the purposes of unemployment relief.

This policy suggests itself because:—

1. The existence of a permanent fund for unemployment relief budgetted for and known to the public as such must tend to aggravate the problem.
2. It is impossible to estimate in September of any year the requirements for unemployment relief for the following calendar year.
3. The relief of distress from unemployment makes a strong appeal to the sympathy of well-to-do citizens who in winter time provided they have been advised of the fact that federation does not budget for unemployment relief and provided they realize the significance of the first two reasons as stated above, will gladly respond to further calls for this purpose.

DEVELOPMENTS WITHIN THE AGENCIES DURING 1927

Your directors call to your attention certain very satisfactory developments and activities of the agencies during 1927.

THE CHILDREN'S BUREAU

At less cost and at less than its budget appropriation this agency is reported to have cared for a very much larger number of children, and further, to have reduced the spread of contagious disease, by the substitution of foster homes for its receiving home.

[Mr. Howard T. Falk.]

THE EPILEPTIC INSTITUTE

This agency has been amalgamated with the mental hygiene committee.

THE VICTORIAN ORDER OF NURSES AND THE TYPHOID EPIDEMIC

The health department of the city called upon this agency for emergency service at the time of the typhoid epidemic. Your directors authorized an extra appropriation for the service which cost \$2,100 and saved many lives.

THE UNIVERSITY SETTLEMENT

Thanks largely to the generosity of Dr. Milton Hersey this agency is now possessed of a first-class well equipped summer camp.

PROTESTANT INDUSTRIAL ROOMS

This agency, having revised its book-keeping and costing system under the guidance of federation, has reached the point where it is now nearly self-supporting. In 1927, to balance their budget they only required \$654.21 of the \$3,530 set aside by federation for this purpose.

PARKS AND PLAYGROUNDS ASSOCIATION

The persistent educational campaign of this association seems at last to be influencing the city aldermen, who appear to be unanimous in recognizing the need for more playgrounds.

THE EDUCATION OF PUBLIC OPINION

The ignorance of the general public revealed at the time of the campaign as to the character of the work done by the agencies in federation and still more as to the insidious character of the social problems with which our agencies contend suggests that future success depends considerably upon the education of public opinion.

To this end your directors have authorized the organization of a speakers' bureau, an announcement of which will shortly be given to the public with a comprehensive list of speakers and subjects.

RECRUITING FOR PERSONNEL OF BOARDS OF TRUSTEES

If, as we have suggested in the preceding paragraph, the rank and file of our citizens are ill-informed about social work, a sure step towards bettering this situation would be to strengthen the personnel of the boards of trustees and committees of our social agencies. It is no easy matter to secure competent men or women to fill vacancies on boards of trustees.

Your directors sincerely hope that our citizens will recognize the duty which devolves upon people of means and education in this question of service. Such problems as unemployment, housing, tuberculosis, venereal disease, recreation, feeble-mindedness, can only be solved by people with capacity to learn, ability to form intelligent opinions and power to express those opinions in the right quarters.

AN ADVISORY BOARD

You will be asked at this meeting to confirm the action of your board in amending the by-laws to make provision for the creation of an advisory board.

Federation is deeply indebted to such men as Mr. E. W. Beatty and Colonel Herbert Molson for their active interest in federation in the past; federation cannot afford to be without the means of securing their advice on questions in which the interests of federation are closely related to other interests in the

[Mr. Howard T. Falk.]

community. Mr. E. W. Beatty, Lord Atholstan, Sir Charles Gordon, Col. Herbert Molson, J. W. McConnell, C. W. Lindsay, Esq., and Sir Arthur Currie have already consented to act on the advisory board of which the chairman of the board of directors, chairman of the budget committee, and chairman of the executive committee will be ex-officio members, and your directors hope and expect that they will help materially to arrive at a solution of some of the problems which have been discussed in this report and which will be discussed in the report of the budget committee.

In conclusion your directors wish to record their regret at the resignation of Mr. J. S. Brierley who served so ably as chairman of the budget committee for five years and to welcome his successor, Mr. B. B. Stevenson, whose devotion to the work and broadminded viewpoint have already won for him the confidence of your board of directors and the approval of the officers of the agencies in federation.

J. HOWARD T. FALK,
For the board of directors.

By Mr. Woodsworth:

Q. I think it might be well for the Committee to know whom you have on the Board; have you a list of the members?—A. I am afraid I have not got that. I might mention Mr. Andrew Fleming; Mr. B. B. Stevenson is Chairman of the Budget Committee; Mr. C. E. Neill, the General Manager of the Royal Bank, is Chairman of the Board of Directors; General McCuaig has been very actively connected with it; Mr. Currie, of McDonald & Currie, Chartered Accountants, is another; Mr. George Lyman, an insurance man; Mr. Philip Fisher; Mr. P. A. Curry, Manager of the White Star Dominion Line, is on the Council. It is a responsible Committee; it is not an unimportant Committee. We have had men of high standing interested in our work. Sir Charles Gordon is interested in our work.

By Hon. Mr. Heenan:

Q. Have you come across many men who claimed to have been brought to this country through misrepresentation? What I have in mind is, that in some parts of England we have men addressing meetings in public squares, advising people to go to Canada with the promise of high wages and steady work?—A. This applies to my own personal experience. I have been in Liverpool, and, on the streets running down to the Mersey I have walked up and down and seen pictures of the golden harvest of grain, but not of the severe winters. These people have not the faintest conception of what winter means, not even in terms of keeping warm, with coal in the house, or in the case of unemployment. I cannot say that I have come across direct cases of misrepresentation.

By Miss Macphail:

Q. I have seen glowing pictures of homesteads, and while it was not stated that they were what the immigrant would shortly have, I would call them misrepresentations?—A. This is a very important thing, which was brought out in my recent trip to the Maritime Provinces, which I have just come from. Mr. Dalzell, a housing expert—some of you may know him by name; under their subsidized housing schemes in England, the average labouring man has a decent place in which to live. But out here, I do not need to describe the housing conditions in Montreal, or in Shacktown in Winnipeg, or on the Prairies, or in that beautiful subdivision almost along Shaughnessy Heights in Vancouver, where the most privileged and rich people in Vancouver live. That is becoming a very real factor in immigration to Canada, because people will not come to live in slums in Canada. Municipal and provincial governments have not

[Mr. Howard T. Falk.]

taken much recognition of the town planning work. There has been very little done to actually improve the housing conditions of the workers.

By Mr. Neill:

Q. Have you had any instances in Montreal where whole families have been living in one room?—A. Fifty per cent of the women who use our Day Nursery live with their families in one room. That was found as the result of a piece of research work done last winter.

By Mr. Woodsworth:

Q. To make that clear, do you state that insufficient wages and unemployment lead directly to the women having to go out to work to supplement their husbands' incomes, and the taking of children out of school to go to work, and consequently sickness?—A. I cannot talk about sickness. Nothing will reveal that but expensive research work; all I can say is that these conditions, according to our relief work, prevail all the time, and it is an absolutely regular thing for women whose husbands get out of work in the winter to go out to work in order to supplement the family income.

Q. Have you any idea of the cost of sickness in Montreal? I know there was a big drive last year for the hospitals; have you any figures on that?—A.—You mean the total cost of sickness?

By the Chairman:

Q. Yes, among all classes?—A. Well, perhaps the best figures I can give you are these, that apart from private charity, they are expending \$1,500,000 a year from the Public Charities Act.

By Miss Macphail:

Q. Not on sickness?—A. They are paying that on public charities, not sickness, approximately \$1,000,000; between \$800,000 and \$1,000,000 goes on sickness, definitely. Mr. J. W. McConnell raised \$4,750,000 last year for our hospitals, and in spite of that they have to get \$150,000 more. The cost of sickness is appalling.

By Mr. Neill:

Q. That does not include the cost of lower efficiency; not only is he a consumer of natural wealth, but everybody who is connected with him is affected by it.

By Mr. Woodsworth:

Q. If we had unemployment insurance, the amount required from the state to support such a scheme would not be by any means an addition to the burden the State has to carry?—A. I would say no, certainly not.

Q. Will you extend that?—A. There is not any question in my mind but that unemployment insurance would obviate a great deal of distress brought about through unemployment. Not only would you have less people in the institutions and less people in receipt of relief; you would have all the service that results from it, and, as I think Miss Macphail said, you would have more efficient workmen. A plant, an industry, does not realize what its inefficiency is due to. They complain all the time about inefficiency, but they do not enquire as to why the inefficiency exists. You cannot work a half-starved horse, neither can you work a half-starved man. Until you have been right next the people and talked to them, know the way they live, the way they eat or the way they do not eat, you cannot talk in terms of efficiency; you cannot understand it.

[Mr. Howard T. Falk.]

By Miss Macphail:

Q. Do you consider that families living in one room will be good citizens of any country?—A. No, it is the exception which proves the rule. You cannot expect it; it is not human that you should expect it, either from the standpoint of health, morals, decency or anything else.

By Mr. Woodsworth:

Q. May I ask another question? Have you given any attention to the best means of setting up an unemployment scheme in Canada? We have some difficulties here on account of our British North America Act, and there may be some other difficulties because certain provinces would not respond so readily. Have you thought as to whether it would be possible for one province to do it by itself, or a Dominion scheme, and in what way the Dominion scheme could be brought about?—A. I think that question should be put to an expert upon the subject. In 1912, I think it was the Dominion Government sent out a questionnaire in regard to old age insurance and old age pensions. It came to me amongst others, while I was at Winnipeg. We sent in a report recommending that it be established then and there, on a contribution basis, because there was comparatively little old age dependency at that time. We thought the probabilities were that the dominion government would come back and say that there was not enough old age dependency to justify them establishing it. That is exactly what was said at the time.

I feel, in regard to unemployment insurance, in exactly the same way. We are going through comparatively good times. Now is the time to start the thing, when lots of people can contribute. It must be on the basis of contribution by the employers and the employees, and the State.

By Mr. Neill:

Q. Have you any objection to the employees contributing?—A. Absolutely not.

Q. We had a witness here a few weeks ago, who said that it would work a hardship on the workers. It has been said that they could not make a contribution out of their present wages?—A. When the contribution is small, you cannot pay a man less than the amount, and it might throw emphasis on the necessity for higher wages.

Q. The workman would get it back?—A. He would get it back anyway in insurance.

By Miss Macphail:

Q. He would be a better workman, because the fear of unemployment would be lifted from his mind?—A. It is a most awful feeling.

The CHAIRMAN: The feeling of the Committee was that he should contribute something.

By Hon. Mr. Heenan:

Q. You referred to the Dennison Company report. What report was that?—A. This is the report of a delegation appointed in England to study conditions in the United States and Canada.

Q. Appointed by whom?—A. By the British government.

Q. Who were the principal members of the Committee?—A. Mr. William W. Mackenzie was the Chairman. The Committee was composed of business men entirely. That report emanates from a place where unemployment insurance is in existence, in the United States?—A. The Dennison Company was simply quoted in the report. Of course Mr. Dennison is a very exceptional man.

[Mr. Howard T. Falk.]

Q. I know the Company very well?—A. He simply said, "I am going to regularize my employment."

Q. Is that not a practical method of getting over some of the difficulties?—A. As I said before, Mr. Chairman, I feel that one of the advantages of the compulsory insurance scheme is to make the employers pay something per week, and, as Mr. Schwab says, it would regularize employment.

Mr. Ross (Kingston): We hear of difficulties we are labouring under, but remedial measures are what we want.

By Mr. Woodsworth:

Q. You mean we would have to have the leverage of an unemployment insurance scheme before the employers would take action?—A. I spoke in five different parts of the Maritime Provinces, but I could not get a line in the newspapers. I spoke in Saint John, Moncton, Halifax, Sydney and Glace Bay.

Q. To whom did you speak down there?—A. It was under the auspices of the Social Service Council.

By Mr. Johnstone (Cape Breton-North Victoria):

Q. Where did you hold your meetings, in Saint John?—A. In the old stone church.

Q. You should have had a good audience. Were you in Halifax?—A. Yes. The business men did not turn out. They do not think social work is important, yet it is the only thing which can interpret the effect of economic and social conditions on labour.

Q. Were you in Cape Breton?—A. Yes. I was in Sydney, and in some of the coal mining places around there. I was told in Sydney that if what I said at that meeting had been said two years ago, I would have been put in gaol.

By Miss Macphail:

Q. Did you find conditions better in Glace Bay?—A. No. I think it is a wonderful thing. There is an absolutely different feeling between Glace Bay and Sydney since the change in Besco, not only on the part of the employers but the Shop Committees. In Sydney there was a formal Committee of Three, representing the Shop Committee at the steel plant; there were employers there, and the whole thing was talked over frankly. The Shop Committee came up to me afterwards and said that if I had talked that way two years ago I would have been put in gaol. The twelve and thirteen hour shifts have to go; they cannot go on.

By Mr. Neill:

Q. As a social worker, are you trying to base your whole statement on facts after taking a scientific viewpoint?—A. The social worker who renders the biggest service to his country is the man who will not ignore the humanitarian standpoint. Once employers wake up and treat their employees from that standpoint, we will have an absolutely different standpoint of humanity in Labour. We are to blame, very largely, we cannot do anything else; we cannot get your money out of your pockets unless we tell why we want it. If we work along the lines of industrial efficiency, we will do better in the long run.

The CHAIRMAN: Are there any more questions? If not, we thank Mr. Falk for coming here and giving us his opinion upon these matters.

(Witness retired.)

Committee adjourned.



SESSION 1928
HOUSE OF COMMONS

SELECT STANDING COMMITTEE

ON

**INDUSTRIAL AND INTERNATIONAL
RELATIONS**

Minutes of Proceedings and Final Report as Amended by Order
of the House

No. 15—JUNE 1, 1928

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1923

MINUTES OF PROCEEDINGS

FRIDAY, June 1st, 1928.

Pursuant to Notice, the Select Standing Committee on Industrial and International Relations, met this day at 11 a.m.

Mr. McIntosh (the Chairman), presiding.

Present: Messieurs Bell, Grimmer, Howard, Jenkins, Johnstone (Cape Breton), Letellier, Tolmie, Sir George Perley, Neill, Woodsworth, and Miss Macphail—12.

Minutes of May 15th, read and approved.

Mr. McIntosh (the Chairman), read instructions from the order of reference as follows:—

Ordered,—That the third report of the Select Standing Committee on Industrial and International Relations presented to the House on May 16th, be referred back to the said Committee with instructions that they have power to amend same by substituting the following for paragraph 8 thereof:—

Your Committee further recommend that 750 copies in English and 250 copies in French of this report and the evidence upon which it is based be printed in Blue Book form, and that Standing Order No. 64 be suspended in relation thereto.

On motion of Mr. Letellier,

Resolved,—That the Committee do amend their report in accordance with the instruction received from the House, and present the following as their fourth report.

In obedience to an Order of your Honourable House dated May 31st, your Committee have reconsidered Paragraph 8 of their Third and Final Report, and have amended the same in accordance with the instructions received, and beg to submit herewith the said Report, as so amended, as follows:—

The Select Standing Committee on Industrial and International Relations begs leave to present the following as their

FINAL REPORT

Your Committee has had under consideration a resolution, which was adopted by the House of Commons on March 21st, in the following terms:—

“That in the opinion of this House, the Committee on Industrial and International Relations be authorized to investigate and report on insurance against unemployment, sickness and invalidity.”

Your Committee proceeded, as directed, to investigate the subject of insurance against unemployment, sickness and invalidity. The Assistant Deputy Minister of Labour, who was the first witness, presented memoranda of information dealing with the systems of insurance against unemployment, sickness and

invalidity which exist in various countries, also a memorandum of information relative to systems of voluntary sickness insurance and benefits which have been developed in this country. The Director of the Employment Service of Canada furnished the Committee with an outline of the operations of the free employment offices which have been established by the Provincial Governments in sixty-four centres throughout the Dominion, and which are assisted by a Federal grant. Witnesses appeared before the Committee on behalf of organized labour, Public Welfare Associations, and the Canadian Manufacturers' Association, and expressed the views of their respective organizations on the subject matter of reference.

The Deputy Minister of Justice gave evidence on the question of the respective jurisdiction of the Dominion and Provincial Governments regarding unemployment, sickness and invalidity.

While the time at the disposal of your Committee has been too short to make as comprehensive a report as the importance of this matter demands, your Committee submits the following recommendations:—

1. That the necessity of providing some method of unemployment insurance is one that will inevitably have to be dealt with before long, as a solution, in part, of the industrial problems of the present day.

2. That we accept and endorse the principle of unemployment insurance, based on compulsory contributions derived from the State, the Employer and the Employee. In this connection, we would point out that a somewhat similar decision was arrived at by a Royal Commission on Industrial Relations, which dealt with this subject in 1919.

3. That the evidence of the Justice Department makes it clear that the responsibility for such legislation rests on the Provincial authorities, it being within their jurisdiction under the provisions of the B.N.A. Act, but that it would be within the power of Parliament to contribute, by grant, to such Provinces as adopted such legislation, following the precedent set in the matter of Technical Education, Highway Construction and, more recently, the Old Age Pension Act.

4. That, whereas the conditions of unemployment vary so much more from Province to Province, than those relating to old age, it would be very desirable, for the success of any plan of unemployment insurance that several of the Provinces should be willing to act simultaneously. In view of these circumstances, we are of the opinion that this matter should be referred to the various provinces, to ascertain which of them would be prepared to consider adopting legislation of this character, and to what extent.

5. On the very important subject of the cost of unemployment insurance your Committee has experienced great difficulty in arriving at any definite conclusion owing to the lack of data as to the amount of unemployment, either constant or occasional in character. There appears to be no definite method of ascertaining the unemployment at any given point for any length of time. We, therefore, recommend that the Government immediately devise some means whereby the amount of the unemployment, over a period of a year, could reasonably be calculated.

6. That as unemployment insurance has been in operation for a number of years in Great Britain, and has recently been thoroughly investigated by a strong committee, and the system reorganized on the basis of their report, your Committee would suggest to the Government the advisability of obtaining from Great Britain expert advice on the subject which would be of service in the formulation of a plan or plans suitable to conditions in Canada, and in arriving at the approximate cost.

7. In order that this matter might be further dealt with, your Committee recommends to Parliament that at the next Session this question be again referred to the Committee on Industrial and International Relations.

8. Your Committee further recommend that 750 copies in English, and 250 copies in French, of this report, and the evidence upon which it is based, be printed in blue book form, and that Standing Order No. 64 be suspended in relation thereto.

C. R. McINTOSH,
Chairman of Committee.

WALTER HILL,
Clerk of Committee.

