

Measuring Unemployment in Canada: Federal Efforts before World War II*

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One of the major features of the modern Canadian welfare state is the care for the unemployed. Canada was late in establishing an unemployment insurance system, and until its initiation in 1940 there existed no possibility of estimating in a meaningful way the extent of joblessness. The present article traces the steps taken by Canadian governments in the attempt to overcome the counting difficulties during the first four decades of this century and shows why censuses, trade union reports, employer statistics and Employment Service records could not adequately cope with the problem.

L'attention portée au problème du chômage est l'une des caractéristiques essentielles de l'État-Providence contemporain. Au Canada l'assurance chômage ne fut instituée qu'en 1940; jusqu'à cette date tardive on ne disposa d'aucun moyen fiable permettant d'évaluer le nombre des sans-emploi. Nous retraçons ici les mesures que prirent les autorités fédérales dans les quatre premières décennies du siècle, afin de résoudre les problèmes de comptage. Ceux-ci subsistèrent largement, comme en témoignent les recensements, les rapports des organisations syndicales, les statistiques fournies par les employeurs et les archives du Service de placement.

The reasons for the development of the welfare state in Canada — and elsewhere, for that matter — are not yet fully understood. One area in which there is still considerable room for research is the growing perception of unemployment as a social problem, rather than as an individual mishap, and the concomitant emergence of society's willingness to deal with it.¹ This willingness, of course, was always dependent upon the knowledge of the extent of unemployment at a given time. It is the contention of this research note that while for decades many voices were challenging the state to action, the number of jobless was not sufficiently well known. Only after a long and uncomfortable gestation period, the very duration of which can be seen as a testimony to the prevailing unwillingness to deal with the question, did the Canadian state develop tools capable of indicating adequately and quickly the number of unemployed persons so that the results could be used as a policy guidance. Neither during the boom years of the 1920s nor during the depression of the 1930s did the Canadian authorities have a usable notion of the overall facts of the labour market.

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¹ James Edward STRUTHERS, "No Fault of Their Own: Unemployment and the Canadian Welfare State, 1914-1941" (Ph.D. dissertation, University of Toronto, 1979) is a pioneer study in this still neglected field.

The efforts made to amend this situation were few, and their very scantiness seemingly betrayed the still lingering *laissez-faire* mood which dominated the interwar period. That this statement has some merit can be seen in the fact that the two major advances in the counting procedure made during the first half of this century were both caused by the exigencies of war. It was during and immediately after World War I that the compilation of data was begun, and it was during World War II that the introduction of unemployment insurance offered for the first time the possibility of arriving at sufficiently reliable figures. The conclusion seems warranted that it was not really social concern in a welfare sense that led to these steps, but that the government was motivated by a concern for efficiency and social control. Whatever the case, it took decades until the era of uneasy guessing finally gave way to a better informed period. Below, the more important stages will be described through which the comprehension of the extent of unemployment grew in Canada before World War II. Attention will be given mainly to the endeavours on the federal level, where the most important efforts occurred. In the provinces, the only noteworthy attempts appear to have been made in Ontario, which as the most industrialized province had some grounds upon which to engage in activities of its own.

Up to World War I no serious steps were taken in Canada to assess the extent of unemployment. The annual report of the Department of Labour for 1915 tried to explain this absence of initiative by claiming that unemployment was "a phase of industrial life which had not previously been prominent in Canada".² This statement was not altogether correct, as the 1890s and the years 1907 and 1908 had already seen some concrete evidence of this modern-day phenomenon. The Department's claim, in effect, represented the lack of concern that had hitherto prevailed in official circles with regard to the problem. What attention the federal authorities had given to the labour situation had essentially been prompted by the desire to keep the job market well supplied. It was for this reason that from 1903 on the *Labour Gazette* had carried reports from its local correspondents, describing the various branches of the labour market as "dull", "active", "very busy", etc. Occasional specific reports on unemployment were based on vague estimates,³ and even after the bad winter of 1913-14 all the Department of Labour could say was that there must have been much unemployment, as the immigration figures had declined from August 1913 onwards.⁴

Such hazy insights could provide no basis for any serious policies aimed at alleviating the problem. Unemployment, however, was not a federal concern in the first place. Understood to be a welfare and there-

² CANADA. DEPARTMENT OF LABOUR, *Report for the Fiscal Year Ending March 31, 1915*, p. 8.

³ Cf. *Labour Gazette*, February 1908, pp. 958-68; January 1909, pp. 736-42; February 1914, pp. 944-50. Another indicator of business activity was the number of building permits issued, as reported in monthly tables in the *Labour Gazette* from May 1912 (for March 1912) onwards.

⁴ CANADA. DEPARTMENT OF LABOUR, *Report ... 1914*, p. 7.

fore above all a local matter, it fell under provincial jurisdiction. It was thus a provincial body which carried out the first thorough investigation. The Ontario Commission on Unemployment, established in late 1913, did not have any reliable figures at its disposal and therefore decided to do some counting of its own. Practical considerations caused it to limit its efforts to the manufacturing industry. Employers were asked in May 1915 to furnish monthly employment figures for the years 1912-14.⁵ Sensitive to various shortcomings in the returns obtained, the investigators then strove to complement them with other materials. The most substantial endeavour in this respect consisted in linking up the results of the inquiry with labour force figures derived from 1911 census data. This allowed a weighting of the figures at hand, and thus the Commission obtained what it understood to be a fair estimate of the unemployment in the manufacturing industries of Ontario in 1914 (roughly fourteen percent). The investigation was remarkable not only because of the unprecedented sophistication of its calculation procedures, but also because for the first time it used employers' records and census data in order to arrive at a quantitative estimate of the jobless rate. Imperfect as these tools were, the following two and a half decades added only one more important instrument, namely the unemployment reports of the trade unions.

The establishment of the Ontario Commission arose out of a humanitarian or, if one prefers, progressivist concern about the plight of the jobless and the attending social evils.⁶ Such motivations, of course, were doomed to lose their strength as soon as the job situation improved with the economic boom of the war years. Now it was the government in Ottawa that was persuaded to undertake counting efforts in the employment market. The growing shortage of labour and, subsequently, the fear of revolutionary disruption, were obviously issues of national concern, and thus the federal government felt that it should find ways of assessing the problem. The Borden administration made two major and several minor attempts at coming to grips with the matter. The principal endeavours were two registration drives, one undertaken by the National Service Board in 1916-17 and the other by the Canadian Registration Board in 1918. Both proved to be somewhat inept efforts which for different reasons ultimately remained inconsequential and need not retain our attention further.⁷

⁵ The Ontario Commission on Unemployment (hereafter OCU) contacted the 1,637 factories on the list of the Canadian Manufacturers' Association. 651 usable replies were received and served as a calculation basis. OCU, *Report* (Toronto: King's Printer, 1916), pp. 89-95, and Appendix H, pp. 315-17. It has to be noted that since early in the century the Ontario Bureau of Labor had collected employment records on an annual basis and had published them in its reports, but the haphazard character of the returns made these figures useless. Cf. *ibid.*, pp. 89-90.

⁶ *Ibid.*, pp. 9, 15-16.

⁷ For a more detailed discussion of this question and the measures taken during the war, see my article "The Origins of the Employment Service of Canada, 1900-1920", *Labour/Le Travailleur*, 6 (Autumn 1980): 89-112, in particular 104-8. The postwar concern expressed itself well in two resolutions passed at the National Industrial Conference (15-20 September 1919) which in essence demanded an immediate and continuous survey of labour market conditions. CANADA. DEPARTMENT OF LABOUR, *Report ... 1920*, pp. 157, 160.

The new interest in the development of the labour market, though, also generated some less spectacular, but longer lasting counting measures. Most important in our context was the gathering of reports of the employment offices, of the trade unions, and of the city corporations, compilations of which began to appear regularly during the war years in the *Labour Gazette*. Even before the war the *Gazette* had published, as one of its many small items, monthly activity reports of the municipal Montreal employment bureau. In October 1915, in view of "the increasing importance of the work performed by public employment agencies in Canada",⁸ the column expanded and showed the placement activities of eight provincial and municipal employment agencies. This concern broadened continually, so that by the end of 1918 well over one hundred commercial, public and philanthropic agencies, handling together about 40,000 vacancies and half as many placements, were being covered.

Almost simultaneously the Department of Labour began to secure data from the trade unions. The Ontario Commission on Unemployment had been well aware of the value of British trade-union figures,⁹ and in Canada a similar effort could be undertaken without much difficulty. Thus in 1916 the various trade unions were requested to supply regular information with regard to membership and the number of unemployed. A first summary appeared in the *Labour Gazette* in April 1916 (for December 1915), and thereafter statements were published quarterly. A switch to monthly reports came in January 1919.

As stated above, the Ontario Commission's basis of calculation had been reports from employers on the numbers of employees on their payroll. The federal Department of Labour, however, was slow in initiating a similar counting procedure, perhaps because of the magnitude of the task. An initial step was undertaken in the fall of 1916, when the larger city corporations were asked to report the number of "employees temporarily unemployed" during the first fortnight of every month.¹⁰ In October 1916 the *Labour Gazette* carried the first tables, reporting returns from eight cities. The reporting picture stabilized by October 1917 (as reported in the December 1917 issue), when it showed fifteen cities. In this form the feature was continued until June 1921 (as reported in August 1921).

By that time the city figures were being absorbed into the general employers' reports, the gathering of which had started in early 1919. As noted, the labour shortages during the later war years, as well as apprehension about possible postwar unrest, had aroused increased government interest in labour market questions. The most important result of this concern was the passage of the Employment Agencies Co-ordination

⁸ *Labour Gazette*, October 1915, p. 496.

⁹ OCU, *Report*, p. 94. Government collection and publication of trade-union unemployment figures had begun in Great Britain in 1871 and was widely practised in Europe. In North America, New York State was first (1897), followed by Massachusetts (1908). The Ontario Bureau of Labor, in its annual reports, regularly published unemployment figures obtained from a changing number of trade unions, but the spotty character of the material made it virtually worthless.

¹⁰ *Labour Gazette*, October 1916, p. 1643.

Act in May 1918, which provided the legal basis for the creation of the Employment Service of Canada. One of the tasks conferred upon the Service was "to compile and distribute information received from employment offices and from other sources, regarding prevailing conditions of employment".¹¹ In order to fulfil this mandate, the Service published statistics concerning its activities (vacancies, job applications, and placements) in the *Labour Gazette*, from its inception in early 1919.¹² Furthermore, it began collecting weekly reports from establishments employing not less than fifteen persons in industries other than agriculture, fishing and domestic service, as to the number of employees (including office workers) on their payroll, and as to the changes from the previous week. A special publication effort was made during several months in 1921-22 when the Department of Labour put out a semi-monthly bulletin *Employment*; ¹³ the figures, though, reappeared in the *Labour Gazette* in December 1922 (October figures), when the Dominion Bureau of Statistics took over the gathering of information from employers.

The Bureau, in fact, had already become active in the field of employment statistics in a different way. In the census of 1921, Canadian wage earners, or at least a considerable segment of them, were asked for the first time in the history of the census¹⁴ to indicate whether they were employed or not on census day, and how many weeks they had been employed during the preceding year. Furthermore, the Statistics Act stipulated the taking of an annual census of industry, as a means of ascertaining the number of persons employed in manufacturing establishments.¹⁵ Preparatory work for this industrial census was underway from 1919 on,¹⁶ and the first results were available in 1921.¹⁷

The build-up of the Employment Service of Canada, the appearance, albeit short-lived, of the *Employment* bulletin, and the new interest of the Dominion Bureau of Statistics in employment data were all indicative of the heightened attention of federal authorities to labour market questions. It is noteworthy, though, that unemployment and the concomitant unrest caused by demobilization and postwar recession were not an exclusively Canadian experience. The general concern found its most visible expression in the creation of the International Labour Office (ILO). Interestingly enough, its functions included "the collection and distribution of information on all subjects relating to the international adjustment of conditions

¹¹ CANADA, *Statutes*, 8-9 George V cap. 21 sec. 3(c).

¹² The first report (1 March to 21 June) appeared in *Labour Gazette*, July 1919, pp. 816-21.

¹³ It appeared from August 1921 until the fall of 1922 and contained the statistics compiled from the reports of employers, employment offices and trade unions and also figures on building permits. See CANADA, DEPARTMENT OF LABOUR, *Report ... 1923*, p. 67.

¹⁴ A question on unemployment was also asked in the 1891 census, but no material was published or is now available. M. C. URQUHART and K. A. H. BUCKLEY, eds, *Historical Statistics of Canada* (Cambridge: Cambridge University Press, 1965), p. 55.

¹⁵ CANADA, *Statutes*, 8-9 George V cap. 43 sec. 21 (1).

¹⁶ CANADA, DOMINION STATISTICIAN, *First Annual Report ... 1919*, pp. 34-35.

¹⁷ CANADA, DOMINION BUREAU OF STATISTICS, *Census of Industry 1919*.

of industrial life and labour".¹⁸ In order to follow up on this mandate, the first International Labour Conference (1919) adopted a draft convention which asked members to "communicate to the International Labour Office, at intervals as short as possible and not exceeding three months, all available information, statistical and otherwise, concerning unemployment". It also invited the ILO in Geneva to form an international commission "empowered to formulate recommendations upon the best methods to be adopted in each state for collecting and publishing all information relative to the problem of unemployment".¹⁹ Canada, which had been eager to become a member of the League of Nations and the ILO, willingly co-operated with the latter in statistical matters. Although the Canadian government officially concurred in the Draft Convention only in 1923,²⁰ figures concerning the Canadian employment situation had appeared in the *International Labour Review* from its inception in January 1921.

One by-product of the ILO's efforts was that some light was thrown upon the absolute value of the Canadian statistical endeavours. This occurred when the individual countries were invited to submit definitions of unemployment. The formula which the Department of Labour offered to the Commission, namely that unemployment was "the condition of a worker who is both willing and able to work, but is unable to find employment", proved in the eyes of the international experts all too simplistic.²¹ Perhaps more important was the realization that this formula did not represent an accepted standard even in the Dominion itself, and that indeed no such common understanding existed among those concerned with collecting unemployment figures. The trade unions, for instance, officially excluded from their reports persons "unemployed on account of trade disputes or disability".²² Furthermore because the reporting was voluntary and individual unions differed in their enumeration practices, uniformity or comprehensiveness was virtually impossible to achieve. As for the census of 1921, the picture was even worse. Wage earners were asked how many weeks they had been "employed" during the preceding year, without further description of the unemployment period.²³ Such vagueness could not but render the entire effort questionable from the start.

¹⁸ *Treaty of Peace between the Allied and Associated Powers and Germany and Protocol. Signed at Versailles, June 28, 1919* (Ottawa: King's Printer, 1919), p. 156 (Art. 396).

¹⁹ LEAGUE OF NATIONS, *International Labour Conference, First Annual Meeting, October 29-November 29, 1919, Washington, D.C.* (Washington: U.S. Government Printing Office, 1920), pp. 258; 276-77.

²⁰ CANADA, DEPARTMENT OF LABOUR, *Report ... 1924*, pp. 131-32. The data supplied to the ILO were the trade-union figures.

²¹ INTERNATIONAL LABOUR OFFICE, *Methods of Compiling Statistics of Unemployment. Replies of the Governments, Studies and Reports, Series C — Unemployment, no. 7* (Geneva: A. Kundig, 1920), p. 10. For a good summary of objections to the Canadian formula see *ibid.*, p. 24, and the British reply, *ibid.*, pp. 42-45.

²² Thus the definition in *Labour Gazette*, April 1916, p. 1123. Substantially the same definition was used throughout the interwar years.

²³ CANADA, *Sixth Census, 1921. Vol. III. Population* (Ottawa: King's Printer, 1927):

Definitions aside, there were other flaws in the available material. One discerning observer was certainly not wide of the mark when he described the Canadian endeavours as "risking a great deal of patient inquiry with the chance of finding small results".²⁴ The figures at hand were indeed insufficient in many respects. As for the census material, it scarcely had any practical value for the political decision-making process. The 1921 census information was unavailable for several years after its collection, and consequently had lost any meaningful relationship to the present. Moreover, as intimated above, it did not distinguish between those unvoluntarily out of work and strikers, idlers or the sick. It also depended on the good memory, and good will, of those questioned. The same held true to some degree for the industrial census. Its results were not in hand until twelve months or so after the gathering process, and they did not cover or sample all industries.²⁵

Somewhat more useful were the Employment Office reports. The statistical division of the Employment Service Branch of the federal Department of Labour received daily reports from the local offices, which it compiled into semi-monthly reports for the provinces and monthly reports to be published in the *Labour Gazette*.²⁶ Immediacy and accuracy were, therefore, the two great advantages of the figures thus obtained, but the shortcomings were equally obvious and probably more important. Although the enumeration of vacancies, applications and placements might faithfully record the work of the Employment Service, this intelligence allowed at best a glimpse of the true state of the labour market. Neither employers nor job seekers were obliged to make use of the Service, and there was no way of telling what percentage of the total employment business was represented in these records. The major benefits which could be gained from them was an indication of a possible change from a previous date, and even here several obvious variables made conclusions quite haphazard.

As for changes in the numbers of workers employed, the returns from employers yielded perhaps the best indicator.²⁷ Major flaws, however,

²⁴ Gilbert E. JACKSON, "The Survey of Unemployment in Canada", in INTERNATIONAL ASSOCIATION OF PUBLIC EMPLOYMENT SERVICES (hereafter IAPES), *Proceedings, 1920* (Ottawa: King's Printer, 1921), p. 11. See also the Dept of Labour's candid admission, in the face of inconsistent numerical evidence, that "no definite statement can be made as to the movement of unemployment in Canada", *Labour Gazette*, October 1924, p. 828.

²⁵ For a judicious evaluation of these shortcomings, see R. A. RIGG, "Some Facts and Reflections Regarding Employment and Unemployment Statistics", IAPES, *Proceedings, 1929*, U.S. Bureau of Labor Statistics Bulletin no. 538 (Washington: U.S. Government Printing Office, 1931), pp. 6-7. H. M. CASSIDY, *Unemployment and Relief in Ontario, 1929-1932* (Toronto: Dent and Sons, [1932]), pp. 19-25 also discusses the figures and tries to make use of them. See also H. M. CASSIDY, A. G. HEAKES and G. E. JACKSON, "The Extent of Unemployment in Canada", in *Papers and Proceedings of the Fourth Annual Meeting of the Canadian Political Science Association, Volume IV* (Toronto, 1932), pp. 5-20.

²⁶ For a detailed outline of the reporting procedure see Annabel M. STEWART and Bryce M. STEWART, *Statistical Procedure of Public Employment Offices. An Analysis of Practice in Various Countries etc.* (New York: Russell Sage Foundation, 1933), pp. 172-75.

²⁷ One observer even thought the Canadian figures to be "the most complete and

were again that reporting was purely voluntary, that it did not cover the field comprehensively, and that no distinction was made between full-time and part-time employment. Over the years, nevertheless, a stable pattern developed, the number of participating firms not varying more than by about one-half percent from month to month. This justified establishing an index which showed the percentage changes in employment with reference to a previous date. Initially, i.e. several months after the collection of returns had begun, the figures for the week of 17 January 1920 were taken as a reference base.²⁸ A somewhat more refined procedure was introduced in 1929, when the average employment of the reporting firms during the calendar year 1926 was adopted as the base.²⁹ Further improvement came two years later, when allowance was made for seasonal fluctuations.³⁰ Such an adjustment of seasonal variations had already been proposed several years earlier; a method geared specifically to Canadian conditions had even been discussed.³¹ The procedure adopted in 1931, however, was the one elaborated by W. M. Persons (Harvard Method),³² obviously because enough data had been gathered by then to make the corresponding calculations meaningful.

Having a fair guess at percentage changes in the number of people employed, however, did not imply that one knew much about the size of, or the changes in the number of the unemployed. In this respect the best, or rather the least insufficient, clues could be derived from the trade-union returns. As these, though, were also entirely voluntary, neither accuracy nor continuity was assured. Their great advantage, in our context, was the fact that the union locals making returns clearly indicated the number of unemployed members, and that the sum of the latter could be calculated as a percentage of the entire membership. This percentage was published monthly in the *Labour Gazette*; it constituted throughout the interwar years the fairest approximation to the otherwise unknown jobless rate. It is probable, however, that it did not come very close. While it was easy to extrapolate from the known figure of unemployed in the reporting unions a figure for those not reporting,³³ it would have been rather presumptuous to do so. As the figures of the depression years clearly show, not only did the membership in unions decline as times grew worse, but so did the unions' willingness to report.³⁴ Nobody knows for sure what

informing statistical record of employment changes ... which is available in any country". Ralph G. HURLIN, "Canadian Employment Statistics", *Journal of the American Statistical Association*, New Series, 18 (March 1923): 615.

²⁸ *Labour Gazette*, December 1920, p. 1637.

²⁹ *Ibid.*, January 1929, p. 71.

³⁰ *Ibid.*, January 1931, pp. 46-47.

³¹ Gilbert E. JACKSON, "Cycles of Unemployment in Canada", in IAPES, *Proceedings, 1926* (Ottawa: King's Printer, 1927), pp. 48-59.

³² Warren M. PERSONS, "Indices of Business Conditions", *Review of Economics and Statistics*, 1 (January 1919): 5-107; and "An Index of General Business Conditions", *Review of Economics and Statistics*, 1 (April 1919): 111-212. A short exposition of the Harvard Method can be found in the *International Encyclopedia of the Social Sciences*, XII: 426.

³³ In 1929, for instance, roughly two-thirds of the organized workers in Canada were covered by the reports. RIGG, "Some Facts", p. 7.

³⁴ Before 1939 the month with the highest number reporting was December 1930 (1,904 locals, 219,641 members); March 1934 saw the lowest (1,666 locals, 145,476 members).

kept the silent unions from reporting during more prosperous times. It must also be kept in mind that union membership was at best representative of the skilled and semi-skilled trades. While it seems fair to assume that unemployment among unorganized workers was usually higher, there is little that would permit a good guess at the actual size of this difference.

Table 1. — SELECTED DATA, DOMINION BUREAU OF STATISTICS, 1920-1940.

Year	Index of Employment on 1 October (%)*	Trade-Union Unemployment End of September (%)**	Employment Service Activities in October (in Hundreds)		
			Vacancies	Applications	Placements
1920	—	5.99	322	424	289
1921	91.3	[8.47]	361	413	230
1922	95.8	3.9	568	647	530
1923	100.7	4.8	636	683	480
1924	95.0	6.8	403	510	370
1925	99.5	5.1	325	502	394
1926	106.5	2.6	441	508	405
1927	110.3	3.9	487	566	454
1928	118.8	3.1	499	708	577
1929	125.6	6.0	270	517	361
1930	116.2	10.8	323	680	312
1931	103.9	18.3	492	857	558
1932	86.7	22.0	232	569	220
1933	90.4	19.8	337	683	320
1934	100.0	16.2	360	647	341
1935	106.1	13.3	355	653	337
1936	110.1	11.0	346	635	323
1937	125.7	8.9	403	656	376
1938	116.7	12.3	370	747	353
1939	121.7	9.0	372	731	355
1940	136.2	5.0	559	835	518

Source: *Labour Gazette*, 1920-40.

* Based upon returns from employers, and recalculated for the calendar year 1926 as 100.

** End of the month averages.

Thus none of the methods used to gauge the labour market during the 1920s yielded the necessary indicators to estimate the actual number of unemployed in the country. The man centrally placed to have the best insights into this matter, R. A. Rigg, Director of the Employment Service of Canada, admitted as much in 1928 when he stated before a Commons committee that he "would not even hazard a guess" in this respect. He thought that with the prevailing methods "anything but a rather rough approximation would be impossible", and that the only way of attaining accuracy was the introduction of a comprehensive scheme of unemployment insurance which would induce the unemployed to register.³⁵ Unem-

³⁵ CANADA. HOUSE OF COMMONS. SELECT STANDING COMMITTEE ON INDUSTRIAL AND INTERNATIONAL RELATIONS, *Minutes of Proceedings and Evidence*, No. 7, March 29, 1928 (Ottawa: King's Printer, 1928), p. 105.

ployment insurance, however, was years away, and Canada faced the depression years without an instrument to measure the misery, let alone to deal with it.

This is not to say that during the 1930s those immediately responsible did not try, within their means, to do what could be done. The Department of Labour was content to continue its unimaginative gathering of data as described above, but the Dominion Bureau of Statistics and, later on, the National Employment Commission both attempted, each in its own way, to come to grips with the problem. The former's endeavour consisted largely of expanding its census inquiry into the unemployment situation. The census of 1921 had been content to ask whether a worker was, or had been during the preceding year, at work or out of work. In 1931, however, the onset of the Great Depression made it desirable that a clearer picture be obtained. Thus the Employment Service Council urged the federal authorities "that provision be made for an *adequate* census of the unemployed in Canada".³⁶ Consequently an effort was undertaken to differentiate between the reasons for joblessness (no job; illness; accident; strike or lockout; temporary lay-off; other causes). Some of these categories had again to be fine-tuned.³⁷ Once this enumeration was completed, the Bureau embarked upon a rather extensive assessment both of the situation at the time of the census, and of historical trends. By mid-1932 the first results were in hand, and the Bureau made available a compilation of figures concerning the labour situation in cities and towns of over 5,000 inhabitants, accounting for about forty-two percent of the Canadian population.³⁸ A few months later the compilation for the entire Dominion was released.³⁹ When the final report on the census was published, it included a very substantial volume of 1,319 pages containing material on unemployment at the census date and the preceding twelve months, broken down geographically and into various subcategories such as duration, age, sex, occupation, etc. In view of the new interest in the problem, an appendix was added with hitherto unpublished data on unemployment gathered during the census of 1921.⁴⁰ It constituted a monumental accumulation of pertinent facts which strongly invited further analysis. In addition, the material obtained was judged gratifying enough to justify a very similar exercise when the mid-decade Prairie census was taken in 1936. The arrangement of questions corresponded in principle to that of 1931, although now it was also asked whether the worker was on relief or not. Two years later the results appeared in print.⁴¹

³⁶ IAPES, *Proceedings, 1930* U.S. Bureau of Labor Statistics Bulletin no. 538, p. 146. My emphasis.

³⁷ CANADA. DOMINION BUREAU OF STATISTICS, *Seventh Census of Canada, 1931*. Vol. VI. *Unemployment* (Ottawa: King's Printer, 1934): xii-xiv.

³⁸ *Labour Gazette*, July 1932, pp. 784-87. The census of 1931 showed the population of the Dominion to be 10,374,196. *Canada Year Book 1932*, p. 91.

³⁹ *Labour Gazette*, November 1932, pp. 1188-94.

⁴⁰ *Seventh Census of Canada 1931*. Vol. VI. *Unemployment*.

⁴¹ CANADA. DOMINION BUREAU OF STATISTICS, *Census of the Prairie Provinces 1936*. Vol. II. *Occupations, Unemployment, Earnings and Employment, Households and Families* (Ottawa: King's Printer, 1938): 170-98; 618-44; 1066-94.

The Bureau itself undertook to demonstrate what could be done with the data it thus had accumulated and dissected. By 1938 it presented a monograph which endeavoured "to provide information on unemployment ... to explain the problem ... [and] to reach worthwhile conclusions".⁴² It was an effort far superior to anything previously attempted in this respect in Canada, containing findings with regard to the regional setting of unemployment and the latter's relation to the industrial and occupational structures. It sought at long last "to develop a technique whereby the census data can be linked up with yearly or even monthly data collected from other sources".⁴³ This boiled down to the attempt to render dynamic the essentially static figures of the census by using as trend indicators the reports from employers and trade unions, with allowances made where they seemed advisable. By applying this technique it was possible to arrive at a set of figures which could be understood to represent the development of employment in absolute terms, and thus of unemployment, from 1920 to 1936 (Table 2).⁴⁴

Table 2. — ESTIMATES OF UNEMPLOYMENT IN CANADA (%), 1921-1940.

Year	D.B.S. Monograph*	Urquhart and Buckley**	Year	D.B.S. Monograph*	Urquhart and Buckley**
1921	8.9	5.8	1931	17.4	11.6
1922	6.9	4.4	1932	26.0	17.6
1923	4.9	3.2	1933	26.6	19.3
1924	7.0	4.5	1934	20.5	14.5
1925	6.9	4.4	1935	19.0	14.2
1926	4.6	3.0	1936	17.3***	12.8
1927	2.7	1.8	1937	13.8***	9.1
1928	2.5	1.7	1938	—	11.4
1929	4.2	2.9	1939	—	11.4
1930	12.8	9.1	1940	—	9.2

* Year averages, calculated from columns (4) (no. of wage earners) and (5) (no. of wage earners unemployed), in CANADA. DOMINION BUREAU OF STATISTICS, *Seventh Census of Canada, 1931*. Vol. XIII. *Monographs. Unemployment* (Ottawa: King's Printer, 1942): 274-76. Compare also *Labour Gazette*, January 1938, p. 47.

** Year averages, calculated from columns C50 (Civilian labour force) and C54 (Persons without jobs and seeking work) in M. C. URQUHART and K. A. H. BUCKLEY, eds, *Historical Statistics of Canada* (Cambridge: Cambridge University Press, 1965), p. 61. The authors used census materials and supplemented missing data by extrapolation; see *ibid.*, p. 57.

*** Calculated from figures reported in *Labour Gazette*, February 1938, p. 181.

⁴² CANADA. DOMINION BUREAU OF STATISTICS, *Unemployment. (A Study Based on the Census of 1931 and Supplementary Data)*. *Census Monograph No. 11* (Ottawa: King's Printer, 1938): p. 3. The elaborations in this volume are based on the 1931 figures, with a final chapter evaluating 1936 Prairie material. Another useful evaluation of the census material mentioned is CANADA. DOMINION BUREAU OF STATISTICS. LABOUR AND PRICES DIVISION. UNEMPLOYMENT INSURANCE SECTION, *Canadian Labour Force Estimates 1931-1945*, D.B.S. Reference Paper No. 23 (Ottawa: Queen's Printer, 1957). This is a revised edition of CANADA. DOMINION BUREAU OF STATISTICS, *Canadian Labour Force Estimates 1931-1950* (Ottawa, n.d.).

⁴³ *Census Monograph No. 11*, p. 3.

⁴⁴ *Ibid.*, pp. 274-76.

There was much to be commended in this undertaking. It produced the best figures hitherto obtained, and it indicated a method which could be applied continuously. But this does not mean that the figures, or the method, were very good ones. Of necessity both showed all the imperfections of their ingredients, as pointed out above, and compounded them because of the latter's basic incongruity. In other words, the sheer guesses which had prevailed hitherto were now to be replaced by compounded guesses. It is rather significant that even after the appearance of this monograph the *Labour Gazette* persisted in publishing its accustomed data and abstained from translating them into more meaningful figures according to the method propounded by the Dominion Bureau of Statistics. It obviously did not consider the effort really rewarding enough.⁴⁵

There was yet another official attempt, if from a different direction, at overcoming the problems in gathering unemployment data. The very fact that the National Employment Commission, established in 1936 in order "to find ways and means of ... reducing the numbers at present on relief, and lessening the burden of taxation",⁴⁶ deemed it appropriate to mount a comprehensive counting operation at the onset of its activities, is a commentary upon the state of Canadian statistics at the time. It must be borne in mind, of course, that the Commission was less interested in knowing the number of the unemployed as such, but rather the number "of persons on relief to whose support the Dominion contributed".⁴⁷ This meant that the results of its registration activity differed in two opposing ways from pure unemployment figures. On the one hand everybody was excluded who was not on Dominion-subsidized relief, whatever the individual reasons might be. On the other, not only previous wage earners were included, but also those who had previously worked on their own, and most probably also an important number of persons of doubtful employability. While the figures thus obtained still gave some indication as to the extent of unemployment, it is obvious that their special purpose lessens their usefulness for historical purposes.

The Commission began its gathering effort in September 1936 by enlisting the aid of the provinces and over 1,800 local administrative units.⁴⁸ It succeeded in establishing a system that enabled it by January 1938 to give monthly figures with a delay of five to six weeks for approximate data, and a few weeks more for final reports. In September 1937, a complete annual re-registration was taken to allow a comparison with the monthly records.⁴⁹ After the dissolution of the Commission its counting activities

⁴⁵ It may be noted that the labour force tables for the period dealt with here (1921-41) in URQUHART and BUCKLEY, *Historical Statistics*, pp. 55-57 and 61, are based on census material, annual data between the benchmark years having been obtained through interpolation. The value of the unemployment figures there has to be judged accordingly.

⁴⁶ CANADA, *Statutes*, Edward VIII cap. 7, preamble.

⁴⁷ CANADA. NATIONAL EMPLOYMENT COMMISSION, *Interim Report* (Ottawa: King's Printer, 1937), p. 7.

⁴⁸ *Ibid.*, pp. 6-7.

⁴⁹ The results can be found in *ibid.*, Appendix C. For further explanation see CANADA. NATIONAL EMPLOYMENT COMMISSION, *Information Service*, no. 2 (August 1937); no. 6 (December 1937).

were continued by the National Registration Branch of the Department of Labour, until the relief legislation expired on 31 March 1941.

It would be wrong, of course, to blame those involved in the various counting attempts prior to World War II for the inadequacy of the methods employed and for the consequent lack of usefulness. On the contrary, it may be rather true, as J.E. Struthers has suggested, that "during the 1920's, at least, Canada was the North American pioneer both in researching and relieving unemployment."⁵⁰ Such a statement was not necessarily a great compliment — it was not difficult to outdo the United States in this respect — but the various Canadian efforts clearly show the ability and good will of those immediately concerned. That they did not achieve more was no fault of theirs. They had enough insight into the limitations of their various endeavours and would have liked to improve upon their performance. Although R. A. Rigg was probably right in claiming "that it is unnecessary to possess complete and accurate statistics as to the volume of unemployment in order to begin to grapple with it",⁵¹ it was all too obvious that solid statistics could only be had when that grappling was well underway.

Here lay the difficulty. For decades Canadian governments shied away from committing themselves to deal with the unemployment problem in a meaningful manner, namely through unemployment insurance. The latter was introduced only at the onset of World War II, when the Mackenzie King Government, after long hesitation, passed the Unemployment Insurance Act of 1940. The Act promised substantial help in future years to those out of work through no fault of their own, and it was through this instrument⁵² that the machinery was finally created to count the jobless in Canada adequately. At long last their number would cease to be the hazardous guess which it had been for too many years.

⁵⁰ STRUTHERS, "No Fault of Their Own", p. 622.

⁵¹ RIGG, "Some Facts", p. 10.

⁵² CANADA, *Statutes*, 4 George VI cap. 44, sec. 88 and 89, regulated the future information collection activities. For their inception see CANADA. UNEMPLOYMENT INSURANCE COMMISSION, *1st Report 1942*, p. 11.