CANADA

DEPARTMENT OF TRADE AND COMMERCE

DOMINION BUREAU OF STATISTICS

GENERAL STATISTICS BRANCH

ANNUAL REVIEW

of

THE EMPLOYMENT SITUATION

in

CANADA

during

1936

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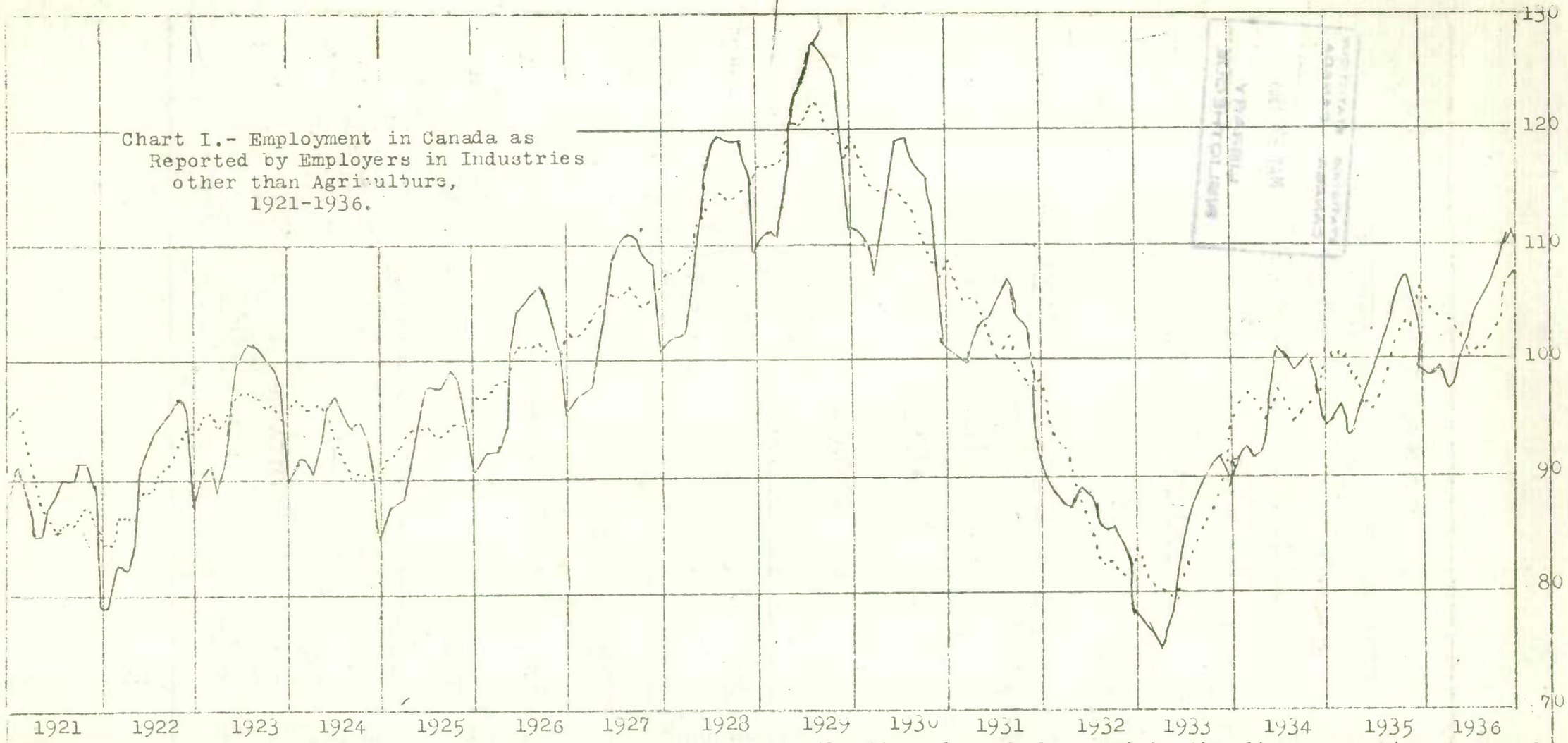

Chart I.- Employment in Canada as Reported by Employers in Industries other than Agriculture, 1921-1936.

The heavy curve is based upon the number of persons employed at the first day of the month by the firms reporting, compared with the average employment they afforded in the calendar year 1926 as 100. The broken curve shows this crude curve corrected for seasonal variation as determined by the experience of the last fourteen years.

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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS
GENERAL STATISTICS BRANCH
OTTAWA - CANADA.

ANNUAL REVIEW OF EMPLOYMENT IN CANADA, 1936.

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In Charge Employment Statistics: M. E. K. Roughsedge.

Industrial employment in Canada showed further moderate improvement during 1936, a continuation of the favourable trend which with few interruptions, has been in evidence during the last four years. On the whole, the fluctuations during 1936 were not so pronounced as those in the preceding year, the increase in the number of persons at work being accompanied by an increase in the regularity of their employment. The general improvement during the year just passed as compared with 1935 was rather greater than that in 1935 over 1934. The consolidation of the gains made in the last few years, and their extension to lines which had been slower in responding to the upward movement originating in 1933, resulted in a generally higher level of industrial employment in 1936 than in any other year since 1930. At the 1936 peak at Nov. 1, the index stood at 111.0, which was the maximum in 72 months.

In 1936, as in 1935, public work undertaken primarily for the relief of unemployment was a factor of diminishing importance in the general situation; the number of persons[1] provided with such employment was smaller in the year under review than in 1935, when it in turn had not been so large as in 1934 and 1933. The more favourable situation which existed therefore gave encouraging evidence of a natural revival in business resulting from a greater public demand for commodities and services, rather than from artificially stimulated activity.

The Dominion Bureau of Statistics tabulated an aggregate of 116,606 individual employment reports during 1936, a monthly average of 9,717 returns. The employees[2] of the co-operating firms varied from the minimum of 918,716 at Apr. 1 to the maximum of 1,052,985 at the beginning of November, averaging 979,741 in the twelve months. The index, based on the 1926 average as 100, rose from 97.4 at the former date to 111.0 at the latter, when it was at its highest point since November of 1930. The unusually small, seasonal decline recorded at Dec. 1 reduced the index to 110.1, but the situation was then more favourable than in any month in the preceding five years.

The average change in the index from Jan. 1 to Dec. 1 in the period 1921 to 1935 has been an increase of just over eight p.c. Between those dates in 1936, the index advanced by rather more than eleven p.c., showing that the upward movement is gaining momentum as it proceeds. The 1936 mean index was 103.7, as compared with 99.4 in the preceding year. This represents a very considerable increase over the low average of 83.4 in 1933, but it is still substantially below the sixteen-year maximum of 119.0 in 1929.

1/ See footnote on page 5.

2/ The number of wage-earners reported in the Census taken on June 1, 1931, was 2,570,097, of whom 2,100,139 were at work on the date of the Census. The firms reporting for June 1, 1931, showed an aggregate payroll of 940,875 persons, or 44.8 p.c. of the census total, which included the professional classes, (notably teachers and public administration employees), agricultural workers, domestic servants and other important classes of workers not included in the monthly surveys of employment. When the census figures are adjusted, so far as is possible, to include only the classes of workers represented in the monthly employment surveys, the proportion of the latter to the former rises considerably. Since 1931, the number of co-operating firms has grown, with a consequent increase in the proportion of the total working population represented in these statistics. A memorandum comparing the industrial distribution of the workers included in the monthly employment surveys with the industrial distribution of all workers in the Dominion, as ascertained in the 1931 census, has been issued. Copies may be obtained on application to the Dominion Bureau of Statistics.

The improvement recorded during 1936 as compared with 1935 extended with few exceptions to the various geographical and industrial units, construction being the great exception among the latter. Manufacturing, logging, mining (particularly of metallic ores), services and trade reported considerable advances. On the whole, activity in the eight cities for which separate tabulations are made showed gains over 1935 that slightly exceeded the general increase in Canada, but it should also be noted that employment in these cities, taken as a unit, continues at a lower level than in the Dominion as a whole. Thus, the average index for the eight cities stood at 97.7 in 1936, while that for Canada was 103.7. This disparity should be considered in any comparison of the employment record and the unemployment relief statistics, in which city dwellers figure very largely.

The present Annual Review of Employment contains two new features: (1) a chart showing together the curves of population and of employment as reported by leading employers, and (2) a comparison of the employment index numbers in Canada and the United States. Following these brief discussions, is an analysis in some detail of employment conditions in the Dominion during the year just passed.

POPULATION AND EMPLOYMENT.

The accompanying chart shows the population curve in Canada since 1921, together with the fluctuations in the employment reported by employers in the same period; the 1926 figure is taken as 100 p.c. in calculating the indexes on which both curves are plotted. It is interesting to note that the employment curve rose much more rapidly than that of the population from 1926 to 1929; during these years there existed a high rate of immigration, while many persons were no doubt absorbed into the industries covered in the employment surveys from others not included, and a considerable number of men and women also transferred themselves from the class of "workers on own account" to wage-and-salary-earners. The content of the population in the boom period was also abnormal, being composed of an unnaturally high proportion of wage-earners as a result of the above-mentioned factors: (1) the great influx of immigrants, most of whom were of working age and (2) the employment of persons not normally wage-earners. Were it possible to depict the curve of employable population rather than the crude population curve, the difference between it and the curve of employment would be reduced. Immigration, but more particularly the stoppage of immigration following the boom period culminating in 1929, lowered considerably the employable population, despite the natural increase in the crude population, which, as a result, became more normal both in age distribution and in proportion of wage-earners.

While the crude population curve has therefore continued steadily to gain, the employment curve declined more or lessprecipitately from 1929 to 1933. The recovery indicated in the years since then, substantial though it has been, has not yet brought the employment curve into line with that of the estimated total population; in part, this is due to the changed employable content of the population, mentioned in the preceding paragraph.

COMPARISON OF EMPLOYMENT IN CANADA AND THE UNITED STATES.

There has recently been manifested a considerable public interest in a comparison of employment in the Dominion and the United States. For the benefit of those who have not access to the available statistics compiled in the latter, the following brief review is presented.

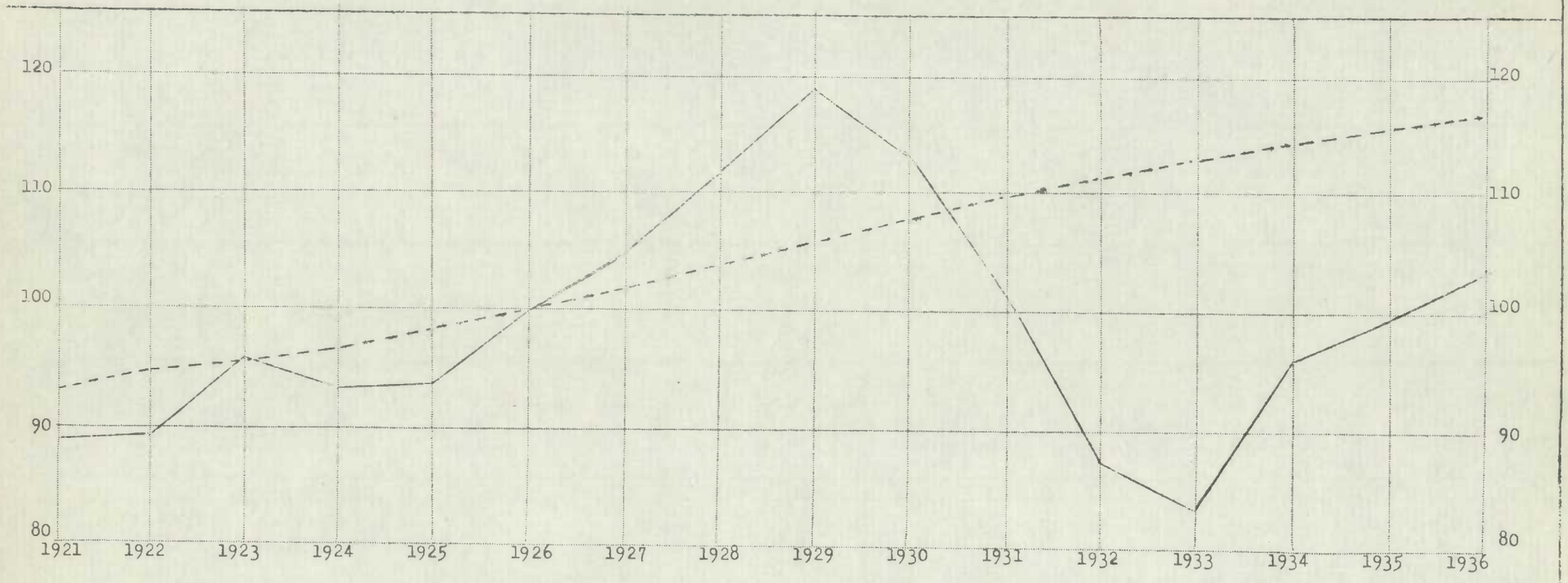
The United States Bureau of Labor Statistics publishes monthly statistics of employment for certain manufacturing and non-manufacturing industries. Differences in the industrial classifications used in the two countries make difficult comparisons for most of the non-manufacturing industries, so that this analysis is confined to two divisions - manufacturing and steam railway transportation. The classifications of industries within the former are by no means identical in Canada and the States, but enough similarity exists to afford a good basis of comparison.

1.-Manufacturing.

Both American and Canadian figures cover a large proportion of the total factory employees. Indexes for the States are calculated on the average for the three years, 1923-1925, as 100 p.c., while the base of the Canadian indexes is 1926; the American figures have been converted on a 1926 base to bring about greater comparability with our own data.

The United States index numbers have recently been revised and adjusted to the Census of Manufactures totals for 1933; this has not altered their trends, but it has raised the previously published monthly figures, thereby diminishing the differences

CHART 2.- POPULATION AND EMPLOYMENT IN CANADA.



The broken curve shows the course of population since 1921; the fluctuations in the employment afforded by leading employers are depicted in the unbroken line. In both cases the 1926 figures are used as 100 p.c. in making the index numbers from which the curves are plotted.

between the American and the Canadian indexes. In the Dominion, the curves of employment plotted from the data collected in the annual Census of Industry and in the monthly surveys of employment have been so similar that revision has not been found necessary, the disparities that exist resulting chiefly from differences in the dates of collection; this factor appears to be important mainly when employment is fluctuating to a greater-than-normal degree.

Chart 3 shows the movements of employment in Canada and the United States since 1921 in manufacturing and steam railway transportation.

In the years 1921 to 1926, employment in manufactures in Canada was at a lower level than in the United States, but from 1926 the development of industry in the Dominion was rapid and the curve rose to a level much higher than in the States. It is probable that during these years, curtailment of staffs due to technological improvements was a factor of generally greater influence in restricting employment in the United States than in Canada, where the more recent establishment of many industries no doubt provided from the first for the use of labour-saving machinery. Again, the fluctuations in employment resulting from technological changes are to some extent conditioned by the industrial distribution of the workers, and by the scale of operations characteristic of the various industries. These factors differ considerably in the two countries.

Factory employment in both countries was, of course, seriously affected during the depression, and apparently to somewhat the same degree; thus, the falling-off in the index from the peak year to the trough was not quite 39 points in the States and just over 36 points in the Dominion. Indeed, a very interesting feature of the chart since 1927 is the great similarity of the curves, which from 1928 to 1932 were almost parallel.

In 1933, factory employment in the Dominion, on the average, was in smaller volume than in the preceding year, despite the marked improvement recorded from the second quarter; in the United States, however, under the stimulus of the National Industrial Recovery Acts and other factors, employment was brisker than in 1932. From 1933, the curves for the two countries continued in the same general direction, although it appears that, on the whole, the recovery in Canada has been slightly more accelerated than in the States. This is partly a result of the varying degrees to which the different industries have responded to the generally upward movement. From the information available, the recovery in the durable goods industries in the two countries appears to have been fairly similar, the differences lying mainly in the class of non-durable goods. Thus, employment in food, textile, leather, pulp and paper, chemical and some other groups in Canada appears relatively more active than across the Border.

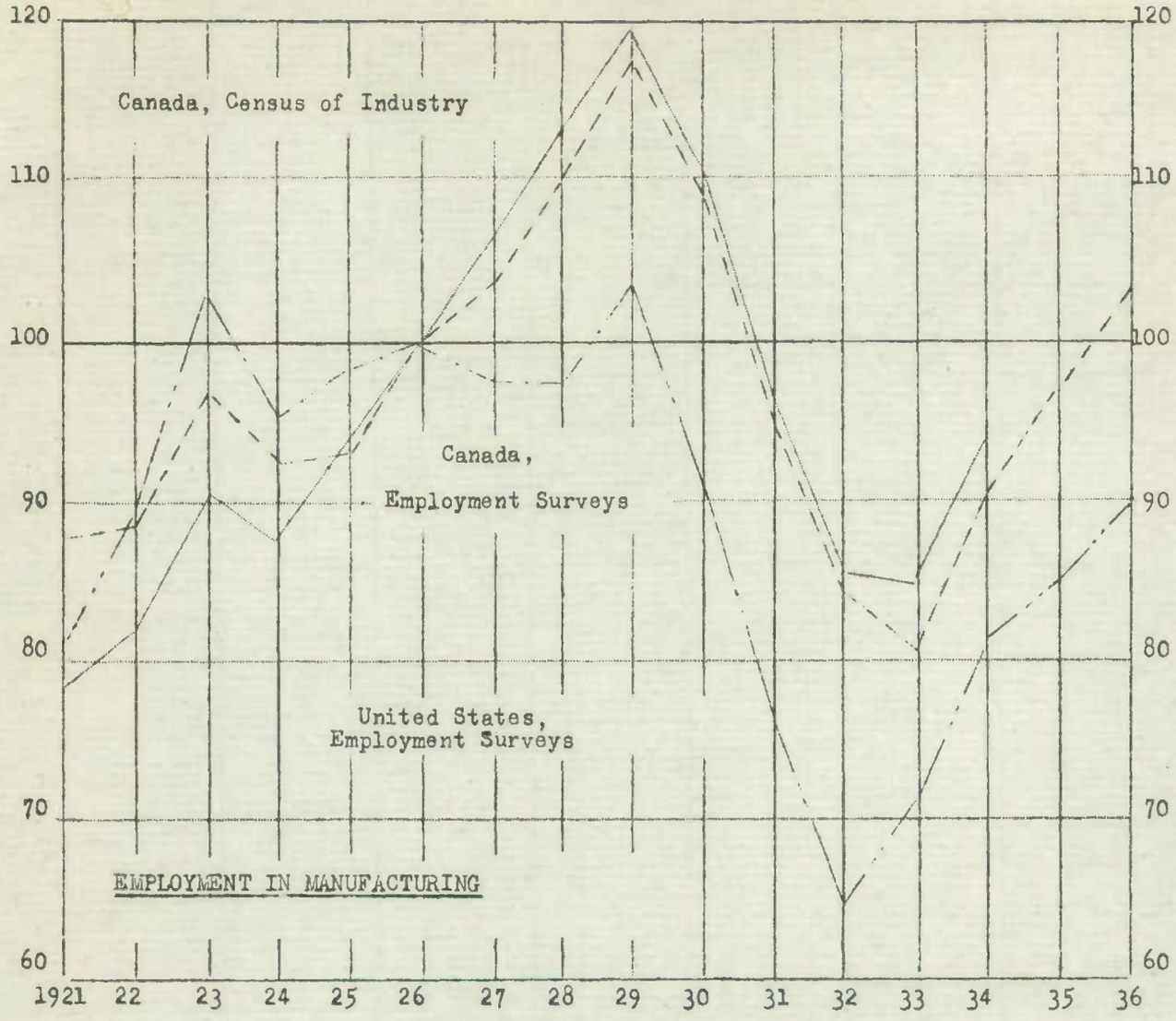
The Bureau of Labor Statistics in the United States does not publish figures corresponding to the industrial "relative weights" shown in our employment surveys, but a comparison of the data of the 1933 Biennial Census of Industries with the industrial distribution of the workers covered in the current statistics, shows considerable differences in the importance of corresponding industries in the two countries, judged on an employment basis. In Canada, it happens that some of the industries in which activity is at a higher level than across the Border, employ a relatively greater proportion of the total workers than is the case in the States; this, of course, tends to raise the general index.

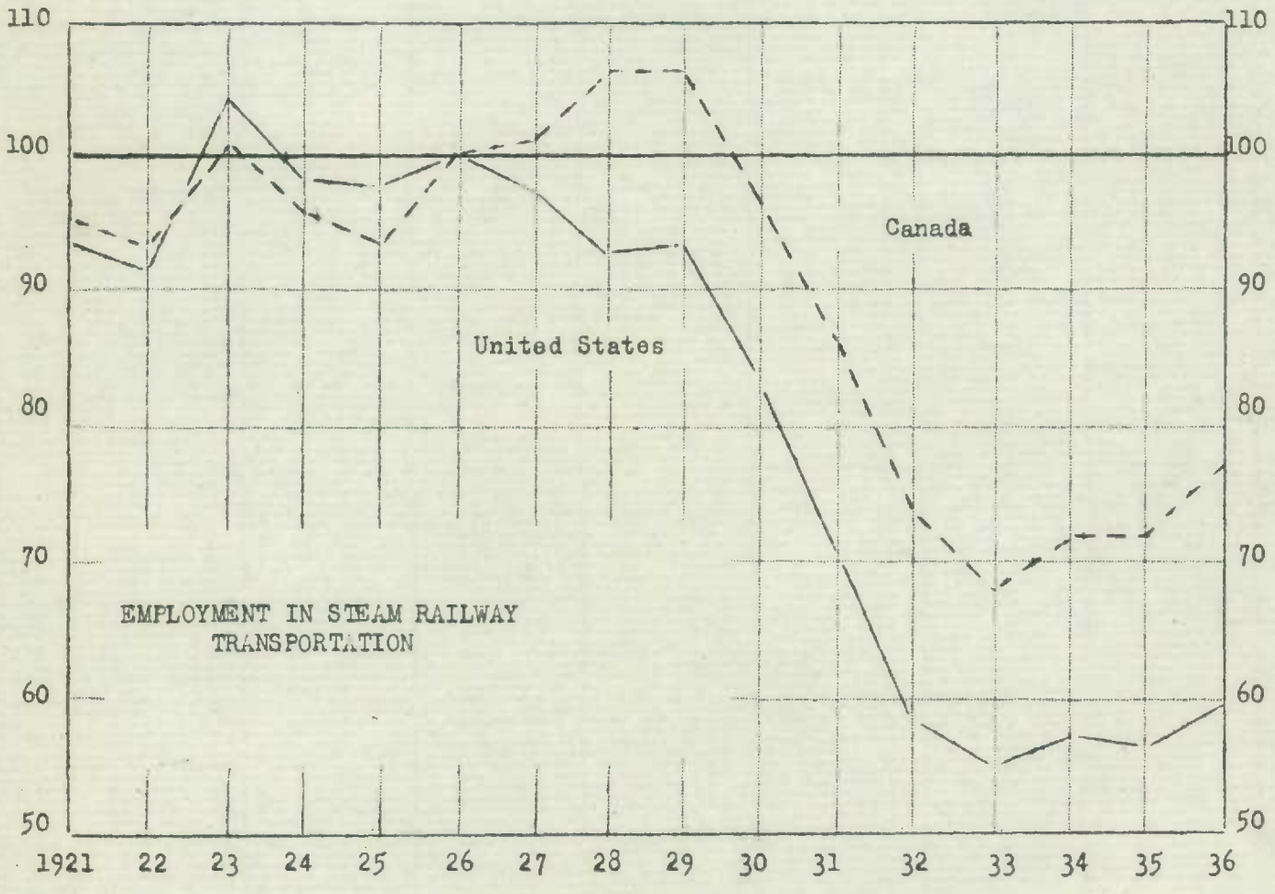
A comparison of the monthly figures shows that employment in the Dominion fluctuates in accordance with seasonal movement to a much greater extent than in the United States. For this reason, among others, the annual averages have been used in plotting the above curves. Again, the fact that the aggregates on which the index numbers are based are much smaller here than in the States tends to emphasize changes in employment in the Dominion.

2.- Steam Railway Transportation.

The United States Interstate Commerce Commission tabulates statistics of the employment afforded by Class 1 railroads, while data are also furnished by the railways in Canada. The statistics in the two countries differ in scope, but the figures are sufficiently similar to warrant a comparison of their movements.

CHART 3.- EMPLOYMENT IN MANUFACTURING AND IN STEAM RAILWAY TRANSPORTATION IN CANADA AND THE UNITED STATES, 1921-1936.





The course of employment on steam railways in the two countries is depicted in the accompanying chart; this shows that employment was at a higher level in the States than in Canada from 1922 to 1926. From then until 1928, the upward trend in the latter compared favourably with declining activity across the Border. The number of railway employees in both countries diminished uninterruptedly between 1929 and 1933; although employment continued at a higher level in the Dominion than in the States, the curves showed the same general movements, in that, repeating the experience in manufacturing. Since 1934, a measure of recovery has been indicated in each country, although railway employment has not yet shown either in Canada or the States, a revival commensurate with the improvement indicated in many other lines of business.

THE SITUATION IN THE DOMINION DURING 1926.

General Summary.

Employment at Jan. 1, 1936, showed the contraction invariably indicated at that date, but the shrinkage was on a scale less than average in the experience of the years since 1921. A further moderate decline, contra-seasonal in character, occurred at the beginning of February, while at Mar. 1 the trend was seasonally upward. Curtailment was again indicated in the succeeding report, but from Apr. 1 the movement was uninterruptedly favourable, the period of expansion extending to Nov. 1. There was a seasonal slowing-up in activity at the beginning of December, but the losses in employment were on a smaller scale than has been customary in the years since 1921, while the general index continued higher than in all but two months of last year, being also higher than at any period of the last five years.

The situation in every month of 1936 was better than in the same month of 1935, although the fluctuations in the two years differed. The trend was upward in nine months of 1935, and in eight months of the year under review, when neither the increases nor the decreases reported on the whole by the co-operating firms were so large as in the former year.

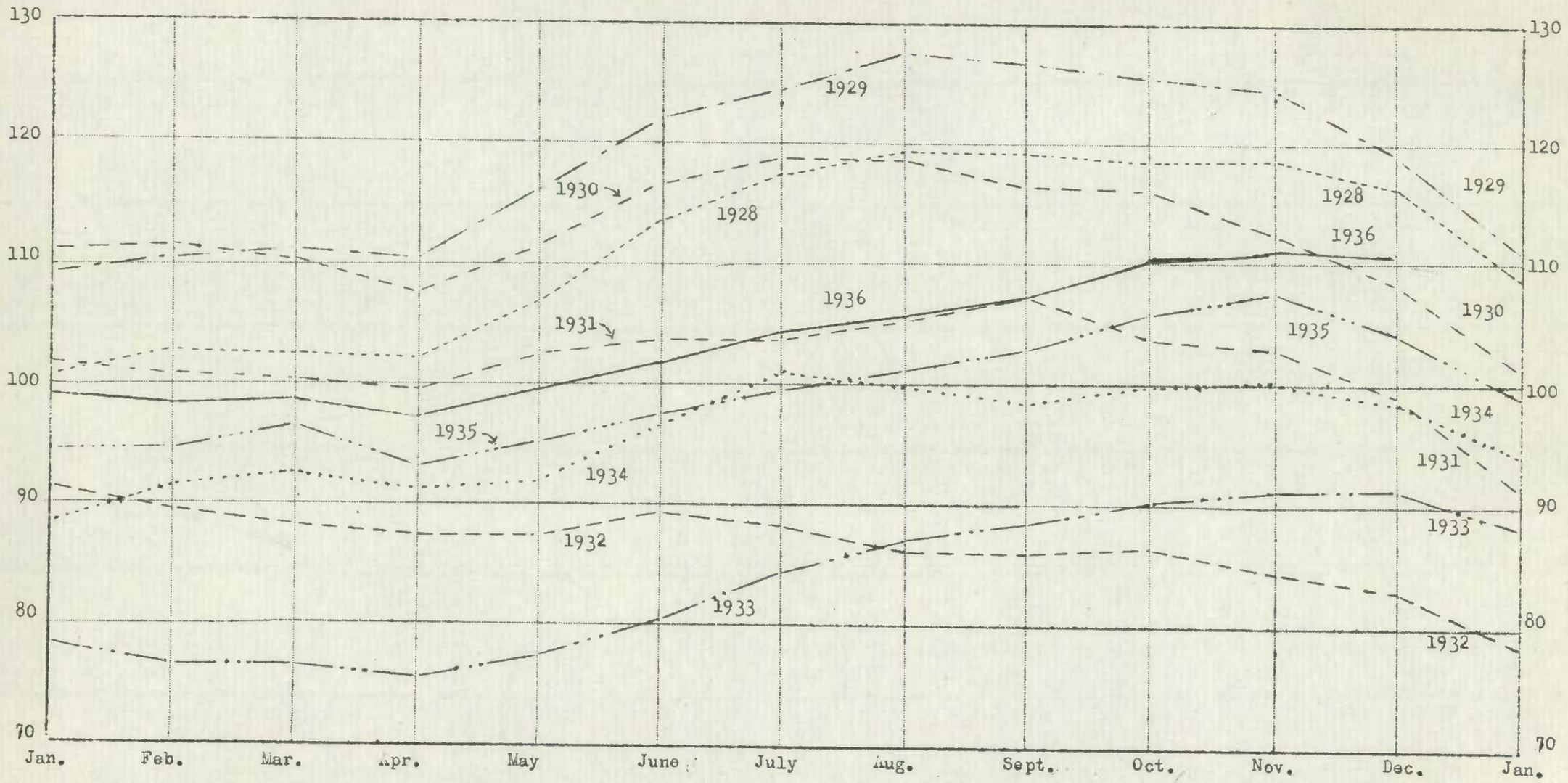
The annual average index numbers of employment in the sixteen years of the record are as follows:-

1921	88.8	1925	93.6	1929	119.0	1933.....	83.4
1922	89.0	1926	99.6 1/	1930	113.4	1934	96.0
1923	95.8	1927.....	104.6	1931.....	102.5	1935.....	99.4
1924	93.4	1928.....	111.6	1932.....	87.5	1936.....	103.7

The variations in general employment are illustrated in the curve shown in Chart 1 on the inside of the cover, and also in Chart 4. Industry in the Dominion is subject to severe fluctuations due to climatic conditions; an index of seasonal variation has, therefore, been calculated according to the Harvard method; the monthly indexes, depicted in the unbroken curve in Chart 1, have been adjusted by means of this index, and the corrected index numbers are shown in the broken curve. The elimination of the seasonal variation clearly illustrates the partial recovery indicated since the low point of the depression was reached in 1933, comparing favourably with the precipitously downward movement of the immediately preceding years.

1/ As the average for the calendar year 1926, including figures up to Dec. 31, 1926, is the base used in computing these indexes, the average for the 12 months, Jan. 1 - Dec. 1, 1926, generally shows a slight variation from 100.

Chart 4.- Employment in Canada as Reported by Employers in Industries Other Than Agriculture, 1928-1936.



The curve is based upon the number of employees at work at the first day of the month as indicated by the firms reporting in comparison with the average employment they afforded during the calendar year 1926 as 100.

As has been pointed out in previous Annual Reviews of Employment, the general index in recent years has been influenced to some extent by public construction works undertaken for the relief of unemployment.[1] This factor, of decreasing importance in both 1935 and 1936, only indirectly affects the situation in many large industries, which reported marked improvement in the year under review - notably manufacturing, logging, mining, trade, etc.

In connection with the statistics of employment herein reviewed, and particularly with those for manufacturing, it may again be mentioned that the tendency during the years of depression has been to retain as many as possible on the staff by reducing the daily or weekly hours worked. Thus, had statistics of the earnings of the persons included in the monthly reports on employment been available, they would in the period of declining industrial activity have shown in many cases a greater shrinkage than the number on the payrolls, while similarly, an improvement in the business outlook is reflected in an extension of the working hours as well as in an increase in the personnel. This situation is illustrated in the recent statistics of earnings in the United States, which are collected from the firms furnishing monthly data on employment. Thus, at Nov. 15, 1936, the preliminary index of employment in manufacturing stood at 96.6 p.c of the basic average for the three years, 1923-1925, or 7.9 points higher than in November, 1935, while the index of earnings was 90.1, an increase of 14.6 points over the same period in the preceding year.

An analysis of the data furnished by employers throughout the Dominion shows that practically all industries except construction shared in the improvement noted during 1936 as compared with 1935, while in most cases the situation was also more satisfactory than in 1934, 1933 and 1932.

Manufacturing, employing rather more than half of the total workers included in these surveys, experienced during 1936 a lengthy period of uninterrupted expansion Almost all branches of factory employment contributed in greater or less degree to the recovery shown in 1936, when activity was generally greater than in any other year since 1930. At the beginning of December, the index stood at 107.0, being then 10.5 p.c. above that at Jan. 1, 1936; this advance exceeded the average increase of between eight and nine p.c. in the index from Jan. 1 to Dec. 1 in the years, 1921-1935. Mining, particularly of metallic ores, advanced during many months of the year just passed, with the result that employment in the group as a whole was at a higher level than in any other year of the record. Logging showed exceptionally pronounced increases, and in that industry also, activity during 1936 reached its maximum for the period since 1921.

The volume of employment afforded in trade was only exceeded by that in 1929, while in services (mainly hotels and restaurants and laundries and dry-cleaning establishments), the index was higher than in any other year since 1931. Improvement in general business conditions in the Dominion, together with an unusually brisk tourist season, resulted in the favourable situation in these industries during 1936. Transportation and communications provided employment for a greater

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1/ The number of man-days worked on a wage basis on relief projects as reported to the Dominion Commissioner of Unemployment Relief by the provinces and Dominion Departments for the eleven months January to November, 1936, was 2,768,480. The average number of men afforded employment per month during the period was 17,042. In federally and provincially operated camps where single men were given useful work in return for subsistence and a small cash allowance, 3,706,730 man-days relief was afforded during the first eleven months of 1936. These figures include 2,683,461 man-days relief afforded in camps administered by the Department of National Defence which were in operation from January to June, during which period an average monthly number of 18,103 single men were cared for (after June practically all these men were afforded employment on the railways in connection with the program of maintenance of way and bettermen works carried out under arrangements made between the Dominion Government and the Railways). All of the above figures are subject to revision when final reports are received.

During the year 1935 the number of man-days worked on a wage basis was reported as 4,388,225 and the average number of men afforded employment per month was 25,047. The number of man-days relief afforded on a subsistence basis in 1935 was 6,750,621 and the average number of men cared for monthly on this basis was 23,935.

number of persons than in any other year since 1932, but the index numbers in these industries were generally lower than in preceding years since 1921.

The exception to the generally upward movement of 1936 was construction, in which employment, though in greater volume than in 1932 or 1933, was not so active as in most other years of the record. Railway construction provided work for a greater number of workers than in 1935, 1934, 1933 or 1932, partly as a result of the transfer of men from the unemployment relief camps. The building contractors furnishing data reported, on the whole, the same employment as in 1935. Work on the highways, however, was not so active in 1936 as in the preceding year, when a decidedly larger number of persons had had work on the unemployment relief projects of the various governing authorities.[1/]

Charts in the following pages show for the manufacturing, mining, transportation, trade and construction industries, the crude and corrected curves of employment since 1921, the seasonal adjustments being made by the Harvard method.

COMPARISON OF EMPLOYMENT IN 1936 AND 1935.

The table on page 7 summarizes the employment data for 1936, giving the average number of reporting firms and of their employees and the mean index numbers for the twelve months, Jan. 1 - Dec. 1, 1936. The changes since 1935 in these three sets of figures are also given, those for the indexes being shown in points as well as in percentages. With some exceptions, the 1936 figures are higher than those for the preceding year, but where the reverse is the case, the decline is indicated by a minus sign. The table calls only for brief explanation since the employment situation in the various localities and industries is discussed in considerable detail in subsequent pages.

According to this table, there was a gain of 5.1 p.c. in the number of reporting employers,[2/] while that in the reported number of employees was 5.0 p.c. and the index increased by 4.3 p.c. in 1936 as compared with 1935. Of the last two comparisons, that between the index numbers affords the more reliable guide to changes in the employment situation, since allowance is made therein for the inclusion of new enterprises, as well as for the cessation of defunct businesses.

Heightened activity was recorded in all five economic areas in 1936 as compared with the preceding year. In the Maritime Provinces and Quebec the rate of increase was rather greater than in the Dominion as a whole, while in Ontario and British Columbia the improvement was not so marked. Thus, firms in Quebec employed nearly 35 p.c. of those added to payrolls, but only 28 p.c. of the total numbers employed in the co-operating establishments, and in the Maritimes these proportions were 9.7 p.c. and 8.0 p.c. respectively. On the other hand, Ontario, with 42.0 p.c. of the average employees, and British Columbia with 8.7 p.c., reported only 34.7 p.c. and 8.4 p.c., respectively, of the total number re-employed during the year. These discrepancies, of course, result from the different degrees of activity experienced by the industries predominating in the various economic areas.

1/ See footnote on page 5.

2/ A continued growth in the number of firms co-operating with the Dominion Bureau of Statistics must be noted in connection with the increases in the workers represented in the monthly surveys of employment. The gain in the former, however, does not wholly result from the establishment of new industries, nor from more regular co-operation on the part of those previously on the mailing list, but is also due to the fact that a steadily increasing number of firms are furnishing statistics in detail for locality and industry. Thus, the different branches of a business organization in various centres appear in the tabulation as separate firms in the centres where establishments are maintained. Similarly, employers appear under each of the industries for which separate reports are furnished. The number of firms as used here might more precisely be described as the number of reports tabulated, but the former expression is generally adhered to in accordance with statistical usage in other series and other countries, and also as presenting a better visualization of the nature of the enquiries. On the whole, the establishments now being added to the mailing list have payrolls that are smaller than the average, being in many cases the less well-known businesses.

Average Number of Reporting Firms, of their Employees and the Average Indexes for the Twelve Months, Jan. 1 - Dec. 1, 1936, together with the changes shown in these figures as compared with those for 1935.

Geographical or Industrial Unit	1936 Average Number of Firms	1936 Average Number of Employees	1936 Average Indexes (1926=100)	Change since 1935 in the Average Number of Firms 1/	Change since 1935 in the Average Number of Employees	Change since 1935 in the Average Index Numbers Points	Change since 1935 in the Average Index Numbers P.C.
			(Decrease indicated by the minus sign)				
Economic Areas							
Maritime Provinces	679	78,446	109.4	30	4,534	5.7	5.5
Quebec	2,297	278,569	100.7	95	16,298	5.3	5.6
Ontario	4,301	411,397	106.7	221	16,184	3.4	3.3
Prairie Provinces	1,417	125,810	99.3	68	5,721	4.1	4.3
British Columbia	1,023	85,519	101.1	55	3,919	3.4	3.5
CANADA	9,717	979,741	103.7	469	46,656	4.3	4.3
Cities							
Montreal	1,328	138,313	92.1	41	7,708	4.8	5.5
Quebec City	170	12,661	95.2	5	- 58	- 1.7	- 1.8
Toronto	1,460	124,893	101.5	88	6,350	4.0	4.1
Ottawa	186	13,905	106.3	14	760	4.1	4.0
Hamilton	281	31,578	98.3	11	1,948	5.7	6.2
Windsor	172	16,495	121.3	7	927	6.3	5.5
Winnipeg	473	39,595	92.3	25	2,006	4.5	5.1
Vancouver	429	33,295	103.7	24	2,665	7.1	7.3
TOTAL, 8 LEADING CITIES	4,499	410,735	97.7	215	22,366	4.6	4.9
MANUFACTURING	5,710	522,756	103.4	230	35,092	6.3	6.5
Animal products, edible	296	23,815	123.5	20	1,644	6.2	5.3
Fur and products	60	1,890	90.4	3	- 23	- 1.4	- 1.5
Leather and products	294	22,090	108.3	14	817	3.7	3.5
Lumber and products	829	40,604	76.9	23	3,182	5.6	7.9
Musical instruments	35	1,319	46.2	-	239	8.4	22.2
Plant products, edible	460	33,433	115.4	24	2,722	8.7	8.2
Pulp and paper products	600	61,471	101.1	16	3,577	5.5	5.8
Rubber products	52	12,464	97.8	-	701	5.5	6.0
Textile products	1,013	100,953	117.7	48	5,729	6.1	5.5
Plant products, n.e.s	178	16,507	122.9	11	601	1.4	1.2
Wood distillates and extracts	8	580	139.7	-	70	16.9	13.8
Chemicals and allied products	200	11,354	138.1	10	1,103	9.2	7.1
Clay, glass and stone products	201	8,806	79.6	7	828	7.2	9.9
Electric light and power	98	14,733	116.7	-	543	4.2	3.7
Electrical apparatus	121	14,831	121.6	12	2,381	7.4	6.5
Iron and steel products	852	117,086	89.2	17	8,092	6.5	7.9
Non-ferrous metal products	167	21,172	133.1	13	2,232	13.5	11.3
Non-metallic mineral products	139	13,991	138.2	11	396	3.6	2.7
Miscellaneous	107	5,657	127.1	1	256	6.0	5.0
LOGGING	321	39,234	138.7	20	3,807	11.8	9.3
MINING	371	62,838	136.5	35	6,389	13.2	10.7
Coal	102	24,300	89.8	1	385	1.4	1.6
Metallic ores	188	30,991	256.0	32	4,928	37.6	17.2
Non-metallic minerals (except coal)	81	7,547	110.1	2	1,076	15.3	16.1
COMMUNICATIONS	85	21,456	81.0	-	357	1.2	1.5
TRANSPORTATION	436	100,801	84.1	34	4,754	2.9	3.6
CONSTRUCTION AND MAINTENANCE	1,082	103,796	88.2	38	-10,887	- 9.6	- 9.8
Building	699	22,499	55.4	30	99	-	-
Highway	350	50,342	135.5	9	-14,524	-40.0	-22.8
Railway	33	30,955	77.6	- 1	3,538	8.8	12.8
SERVICES	464	27,028	124.5	13	1,550	6.3	5.3
TRADE	1,249	101,832	127.5	98	5,586	5.4	4.4
ALL INDUSTRIES	9,717	979,741	103.7	469	46,656	4.3	4.3

1/ See footnote 2 on page 6.

Although the general recovery in the cities was proportionately rather greater than in the country as a whole, it was not so marked as in the preceding year over 1934. Employing some 42 p.c. of the aggregate workers covered in the monthly surveys of employment, the co-operating firms in the eight industrial centres for which separate tabulations are made, reported nearly 48 p.c. of the total number added to the payrolls, while in 1935 some 60 p.c. of the net increase had been reported by firms operating in these cities.

The gains were, of course, not uniformly distributed among the various cities; Quebec showed a slight decline in activity, while in the remaining cities, the increases over 1935 ranged from four p.c. in Ottawa to 7.3 p.c. in Vancouver. Montreal recorded the largest gain in actual numbers involved, amounting to over 34 p.c. of the general increase in these municipalities, a quota that very slightly exceeded the proportion of workers in Montreal to the number employed in the eight cities, viz., 33.7 p.c. Toronto firms reported 28.4 p.c. of the total increase, but 30.4 p.c. of all the employees reported in the centres for which data are tabulated. Vancouver, with 8.1 p.c. of the aggregate staff, contributed 11.9 p.c. of the increase.

In 1936, as in the preceding year, the expansion in manufacturing was especially pronounced, there being an increase of 6.5 p.c. in the average index, as compared with that of 4.3 p.c. in all industries. Mining as a whole, logging and services also showed disproportionately large advances in 1936 as compared with 1935, while in trade the gain approximated the average for all industries. On the other hand, in communications and transportation, the rate of improvement was lower than in the above-named industrial divisions, although the percentage gains were higher than those recorded in 1935 over 1934. Railway construction reported decidedly greater activity than in the preceding year, while employment as reported by building contractors remained at the same level. Highway construction and maintenance, however, showed curtailment, so that employment in the construction group as a whole declined by 9.8 p.c., as compared with 1935. This was partly due to the reabsorption of many former highway workers into other industries as the general situation improved, changes in the unemployment relief policies of the various governments also influencing considerably the situation 1/in this line of work.

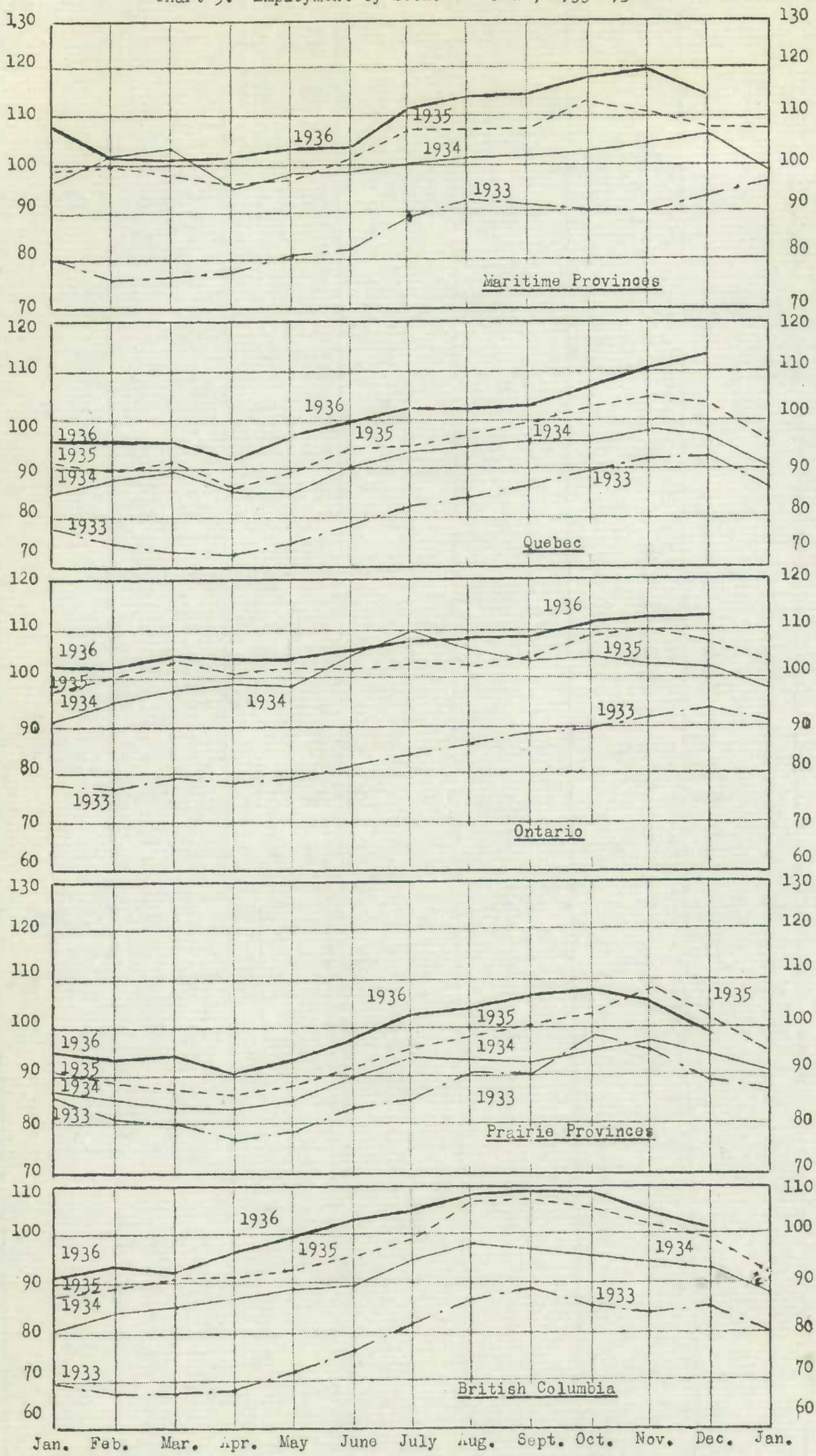
EMPLOYMENT BY ECONOMIC AREAS.

The improvement im industrial activity during 1936 extended in greater or lesser degree to all five economic areas. The situation at the end of 1936 was better in each of these districts than it had been at the opening of the year, and except in the Prairies, was also more favourable than at the end of any of the preceding four years. In Manitoba, Saskatchewan and Alberta, taken as a unit, the index was slightly lower than at the close of 1935, but was higher than towards the end of 1934, 1933 and 1932. The greatest proportional gain between the 1936 low and high points occurred in Quebec, where the maximum of activity was at Dec. 1; the index then stood at 112.6, being 21.2 points higher than the minimum of 91.4 recorded at Apr. 1. Employment in all five economic areas was greater, on the average, than in the twelve months of 1935, being also at a more satisfactory level than in 1934, 1933 or 1932. In the Maritime Provinces, there was a gain of 5.5 p.c. in the 1936 mean over that for 1935, in Quebec of 5.6 p.c., in Ontario, of 3.3 p.c., in the Prairies, of 4.3 p.c. and in British Columbia, of 3.5 p.c.

Maritime Provinces.- Employment in the Maritime Provinces fluctuated rather less in 1936 than had been the case in 1935; moderate improvement at the first of the year was followed by declines in the next two months. The trend then became favourable, continuing so from Apr. 1 until Nov. 1, when the index, at 119.4, was higher than in any other month since Sept. 1, 1930. Seasonal curtailment on a greater than average scale took place at the beginning of December, 1936, approximately 3,000 persons being released from the payrolls of the co-operating firms. In spite of this pronounced decline, employment continued at a relatively high level, the index being higher than at Dec. 1 in any previous year of the record, including Dec. 1, 1929, when the falling-off had been outstandingly large, resulting in the dismissal of nearly 7,600 workers by the co-operating firms. The index, at 115.3 at Dec. 1, 1936, was 7.2 points higher than at the opening of the year, being also 7.8 points above the Dec. 1, 1935, level. The aggregate payrolls of the 679 reporting employers in the Maritime Provinces averaged 78,446 persons in 1936; in the year before, 649 firms had employed a mean of 73,912 men and women. The 1936 average index, at 109.4, was higher than in any of the last five years.

1/ See footnote on page 5.

Chart 5.- Employment by Economic Areas, 1933-1936.



The index in manufacturing as a whole was consistently higher throughout the year than in 1935, the mean being 102.0, as compared with 95.9 in 1935 and 91.8 in 1934. The Dec. 1, 1936, index, at 107.4, was 13.1 p.c. higher than at the opening of the year, and eight p.c. higher than in the same month in the preceding year. The greatest improvement was in the pulp and paper, lumber and iron and steel industries, while the index in textiles was also rather higher, on the average, than in 1935.

Unsatisfactory export conditions continued to affect transportation, as in the last few years, although this industry afforded, on the whole, a slightly greater volume of employment in 1936 than in 1935. Communications generally showed moderate improvement over 1935. Construction on the whole was somewhat more active, being brisker in most months of last year than in the same period of 1935. Services and trade also registered a generally higher level of activity. Mining, except at May 1 and June 1, showed some improvement, the index averaging 106.7, compared with 104.2 in the preceding year. Logging was rather brisker than in 1935, but was not so active as in 1934, the index of employment averaging 162.5, as compared with 160.0 in 1935, and with 203.0 in 1934.

Quebec.- With only one exception, the general trend of employment from May 1 to Dec. 1 was favourable in Quebec, the gains, on the whole, being on a larger scale than those noted in the preceding year. The index rose from its 1936 low of 91.4 at Apr. 1 to its maximum of 112.6 at Nov. 1, or by over 23 p.c. Employment in the year just closed fluctuated between rather wider limits than in 1935, the index advancing by over 21 points between the trough and the peak, as compared with a variation of some 19 points in the preceding year. Activity in each month of 1936 was greater than in the corresponding month of 1935.

The labour forces of the 2,297 co-operating employers varied between 252,688 and 312,279 workers at the dates of minimum and maximum activity, respectively, averaging 278,569 for the twelve months, while the mean index was 100.7; the 1935 average of the 2,202 reporting firms was 262,271, and the index averaged 95.4, while in the preceding year it was 91.7.

Employment in manufacturing as a whole was brisker during the entire year than in 1935, improvement in this comparison being indicated each month, while the 1936 index averaged 103.3, or 6.2 p.c. higher than in the preceding year. Practically all classes of manufacturing recorded a larger volume of employment; the improvement in the major groups,- lumber, pulp and paper, textiles and iron and steel,- was especially important, in view of the large number of workers engaged in such industries.

The index of employment in communications remained unchanged in 1936. There was a small advance, on the whole, in transportation. In the logging group, activity was substantially greater in eight of the twelve months; the index averaged 219.8, as against 192.2 in 1935. Mining was decidedly more active in 1936 than for several years past, largely due to gains in the metallic ore branch; the mining index averaged 184.4 as against 144.5 in the year before. Services and trade also showed greater activity during the year under review.

Ontario.- An average staff of 411,397 employees was registered by the 4,301 firms furnishing data in Ontario; the mean index was 106.7 in 1936, or 3.4 points higher than in the preceding year, when the payrolls of the 4,080 co-operating establishments had averaged 395,213. Employment, on the whole, showed slightly less fluctuation during 1936 than in preceding years, there being a range of only about 10½ points between the maximum and minimum indexes, as compared with that of 12 points in 1935, and of nearly 19 points in 1934. The situation each month was better than in the corresponding period of 1935, the Dec. 1 index, at 112.9, being 5.5 p.c. higher than at the same date of the preceding year.

Manufacturers, on the whole, reported decidedly greater activity throughout 1936, employmentgenerally being in larger volume than in any other year since 1930. As in 1935, the index in 1936 was slightly higher than that of factory employment in the second great manufacturing province - Quebec, while in 1934 and 1933 the opposite had been the case. This was mainly due to a revival of activity in the iron and steel industries, which are especially important in the industrial composition of Ontario; a comparison of the data shows that the heavy industries in this province have experienced a relatively greater measure of recovery than has been the case in Quebec. On the other hand, the indexes in lumber and textiles continued substantially higher in the latter than in Ontario.

Employment in pulp and paper, lumber, textile, metal, food and other factories was brisker throughout the year than in 1935, in each case also showing decided improvement between the opening and the close of the year under review. Iron and steel advanced steadily from Jan. 1 to May 1, 1936, succeeded by contractions in the next four months; the trend was again distinctly upward in the last quarter of the year. The contra-seasonal gains at Dec. 1 brought the index to 100.5, being then 11.7 p.c. higher than at the opening of the year. The index averaged 94.7, as compared with 88.1 in 1935, 72.1 in 1934, 58.3 in 1933 and 64.3 in 1932. In the textile group, activity gained month by month from Jan. 1 until Apr. 1, and expansion was also indicated in August, September and October; at the Oct. 1 maximum, the index was 6.7 p.c. higher than at Jan. 1, and in spite of the seasonal curtailment indicated at the beginning of December, it was then still 6.5 points above the Jan. 1 index. The 1936 mean of 112.3 was over four points above that of the previous year.

Operations in logging camps throughout 1936 were at a relatively high level in comparison with the last few years, the index averaging 116.6, as compared with 107.4 in 1935, 95.9 in 1934 and 47.9 in 1933. Mining was particularly active, employment in the autumn and early winter reaching the highest level in the record; at Dec. 1 the index was 239.0, while in the twelve months it averaged 217.6, as compared with 185.8 in 1935, 154.5 in 1934 and 127.2 in 1933. The extraction of metallic ores, which accounts for most of the persons engaged in mining in Ontario, continued at an unusually high level during the year just passed, international monetary conditions again providing an important stimulus to production. The number employed in communications was very slightly greater than in 1935. Transportation, in each month of 1936, was brisker than in the corresponding month of the preceding year, and the mean index was 80.0, or several points higher than that of 75.9 in 1935, being also higher than in any other year since 1932. Construction generally afforded less employment, partly a result of the changes in the unemployment relief policies; private and commercial building, however, was in rather greater volume than in the preceding year. The index for construction as a whole averaged 91.3 in the twelve months of 1936, compared with 118.9 in 1935, 158.8 in 1934, 86.2 in 1933 and 101.1 in 1932. Services also reported greater activity than in the year before, to some extent reflecting improvement in the tourist trade. The volume of employment in trade was also greater throughout 1936 than in the preceding year, the index averaging 134.3 or 3.6 points higher than in 1935.

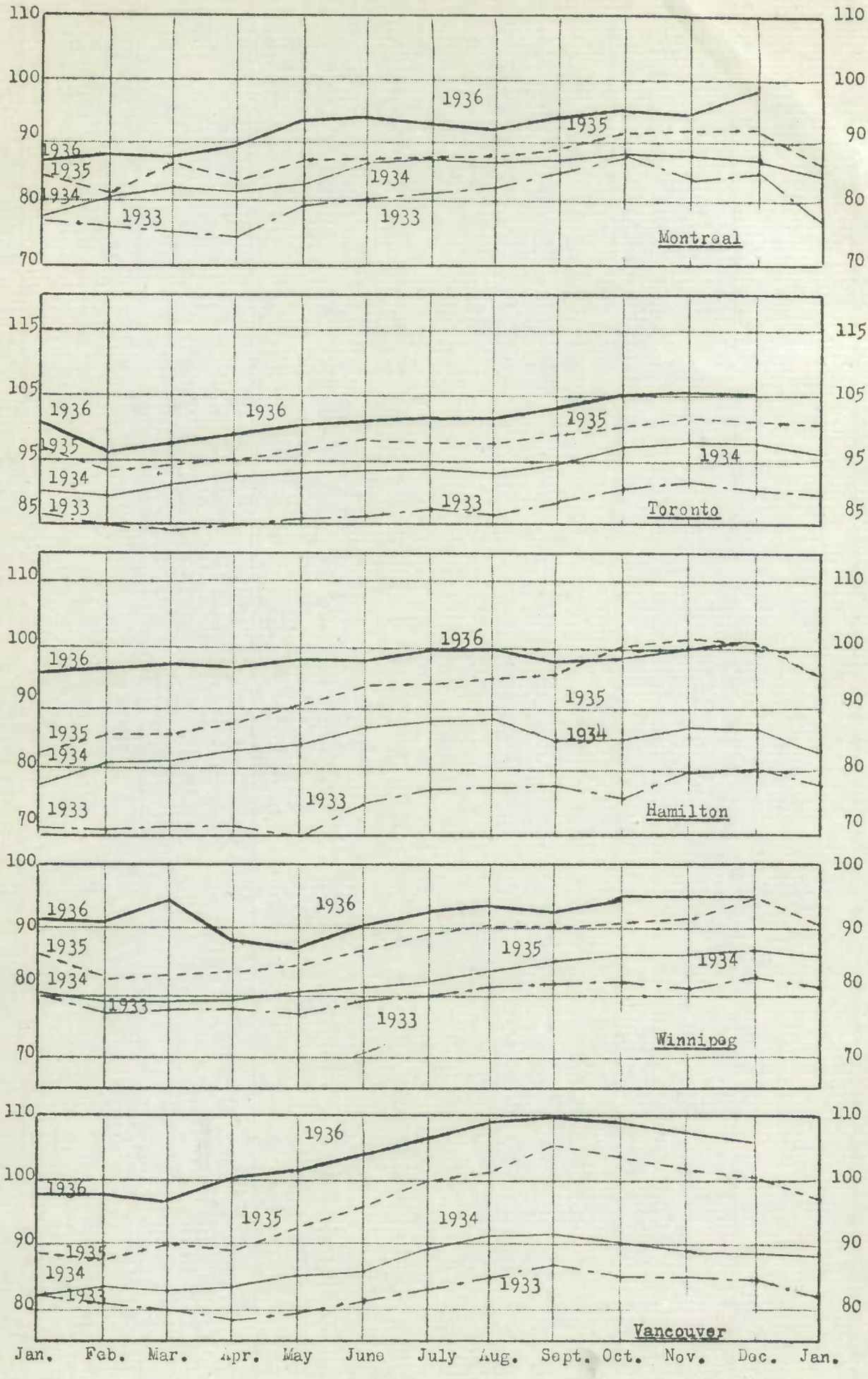
Prairie Provinces.- Employment in the Prairie Provinces showed rather less variation than in the preceding year, the index ranging from 90.5 at Apr. 1 to 108.6 at the beginning of October, as compared with a spread of some 21 points between the 1935 high and low. The general situation at the beginning of most months was better than at the same date of the year before, but in the last two months, the index numbers were lower; however, that for Oct. 1 was the highest since Nov. 1, 1931. The average for the twelve months under review was 99.3, or 4.1 points more than in the preceding year. The 1,417 employers furnishing data in Manitoba, Saskatchewan and Alberta had an average staff of 125,810 persons during the year, while in 1935, the 1,349 co-operating firms reported an average payroll of 120,089 workers.

As has been pointed out in previous annual reviews of employment, the population of the Prairies depends to such an extent upon agriculture that much distress results from any dislocation of the world wheat market, and from unsatisfactory crop conditions, such as the 1936 drought. This latter is reflected in the lowered employment indexes shown towards the close of the last year. Nevertheless, activity in manufacturing, mining, transportation and communications, construction and maintenance, services and trade in the Prairie Provinces was generally greater during 1936 than in the preceding year. Within the manufacturing group, there were advances in the textile, pulp and paper, lumber, iron and steel and some other industries. Logging was quieter in most months of the year, the index averaging 63.2, compared with 100.8 in 1935.

British Columbia.- The 1,023 firms reporting in British Columbia employed an average working force of 85,519 employees, while in the preceding year a mean of 81,600 was reported by 969 employers; the 1936 index averaged 101.1, as compared with 97.7 in 1935. In these years, it was higher than in 1934, 1933, 1932 or 1931.

All groups of manufacturing indicated heightened activity during the year under review. The lumber, pulp and paper, textile, iron and steel and other factories reported a decidedly better situation at the end of 1936 than at the beginning, while the indexes also averaged higher than in the preceding year. Logging showed improvement, although employment in this and other branches of the lumber industries continued to suffer from the decline in world demand, the indexes still being at a low level in comparison with most years of the record. Mining, transportation, communications, services and trade were brisker practically throughout 1936, the mean index in each of

Chart 6.- Employment by Principal Cities, 1933-1936.



these being higher than in 1935, when they were, in turn, higher than in 1934 and 1933. On the other hand, construction was not so active in the year under review as it had been in 1935.

INDEX NUMBERS BY ECONOMIC AREAS.

Monthly index numbers by economic areas are shown for the last three years in Table 1, which also gives annual averages since 1921. The course of employment in these areas during the last few years is depicted in Chart 5, the curves being based upon the indexes given in Table 1.

EMPLOYMENT BY CITIES.

Improvement in industrial employment was reported in seven of the eight centres for which statistics are segregated, viz., Montreal, Toronto, Ottawa, Hamilton, Windsor, Winnipeg and Vancouver, while in Quebec City there was a slight recession. The gains were relatively greater during 1936 in Hamilton and Vancouver than in the other cities. As in 1935, the recovery in these cities, which during 1933 and 1934 had been generally at a slower rate than in the Dominion as a whole, was in 1936 slightly more pronounced. Their index numbers showed an average advance of 4.9 p.c., as compared with the general increase of 4.3 p.c. in the Dominion. The continued improvement in manufacturing and trade in recent months largely accounts for this situation.

The reports show that employment was again maintained at a generally higher level in Ottawa and Windsor than in the other centres above-named, while as in 1935, the lowest indexes were indicated in Montreal and Winnipeg.

Montreal.- The staffs of the 1,328 Montreal firms making returns averaged 138,313 persons, while the mean index, at 92.1, was 5.5 p.c. higher than that for the preceding year. The fluctuations in employment in 1936 were different from those of 1935; however, gains were made in eight months, and these provided work for a rather larger number of persons than had been added to the reported staffs in the preceding year. The index rose from 86.4 at Jan. 1, 1936, to 98.3 at the beginning of December, when activity was at its highest since the early autumn of 1931. Manufacturing generally was more active in every month of the year under review; the index averaged 95.8, as compared with 89.8 in 1935. The vegetable food group showed a higher level during eleven months of last year than in the same months of the year preceding, the average index being higher. The printing, publishing and paper goods, textile, iron and steel and other divisions reported substantial improvement, on the whole, as compared with 1935. The communications index was fractionally lower. Transportation was quieter in most months, the index averaging 90.5 p.c. of the 1926 average, as compared with 92.1 in 1935. Construction firms reported slightly larger payrolls during the greater part of 1936, their employment average during the year being rather better; towards the close of 1936, public works were undertaken for the relief of unemployment which greatly improved the situation. In trade, the index throughout the year under review was higher than in 1935; the annual average was several points higher, at 127.9.

Quebec City.- The 1936 variation between the minimum and the maximum of employment in Quebec amounted to a little more than six points in the index, a range much less than that of nearly fourteen points in 1935, when the average index, at 96.9, was slightly above that of 95.2 in the year under review. The staffs of the 170 employers furnishing data averaged 12,661, as compared with the mean of 12,719 reported by 165 firms in 1935. Activity in manufacturing generally was at a slightly higher level, the mean index standing at 97.5, as against 95.6 in the preceding year. Leather plants, on the whole, were rather busier than in 1935, and other branches of manufacturing also showed a betterment. Employment in transportation and construction, on the whole, was quieter.

Toronto.- Employment improved moderately during eight months of 1936; at the close of the year, the index was five points higher than at the beginning, while the annual mean of 101.5 compared favourably with that of 97.5 for 1935. The employees of the 1,460 firms co-operating during the year under review averaged 124,893, while in the year before the mean payroll of the 1,372 reporting employers was 118,543. The manufacturing industries showed a better situation each month of 1936 than in 1935, and the average index of 99.2 was nearly five points higher. Within this group, vegetable food, iron and steel, textile, printing and publishing and other manufacturing industries reported greater employment in the twelve months under review. The gains in iron and steel works were most marked; nevertheless, activity in this division continues relatively dull, the index averaging only 82.2 p.c. of the 1926 average as 100.

Transportation during 1936 showed steady improvement over the preceding year, the index averaging 93.4, as compared with 89.4 in 1935. Communications again afforded slightly less employment; there was also a moderate falling-off in construction, in which the mean index was only 58.6. Trading establishments, on the other hand, showed heightened activity; the index averaged 126.9 in 1936, as compared with 123.7 in the preceding year.

Ottawa.- There were advances in Ottawa during six months of last year, as compared with eight monthly increases in 1935. However, the number of persons added to the payrolls of the co-operating employers was greater in 1936, when the index averaged 106.3, compared with 102.2 in the preceding year. Manufacturing reported a rather larger volume of employment; lumber and other plants showed greater activity, but pulp and paper mills reported no general change. Construction was slacker, while trade was more active than in 1935. An average payroll of 13,905 workers was employed by the 186 firms whose data were received, as compared with the 1935 average of 13,145 reported by 172 employers.

Hamilton.- Employment in Hamilton in 1936 did not increase to so great an extent as in 1935, but the mean index for the year under review, at 98.3, was higher than that of 92.6 in the preceding year. The 281 co-operating firms reported an average working force of 31,578 persons; in 1935, 270 establishments had 29,630 workers, on the average. Manufacturing showed gains in many months, being generally more active than in 1935. Iron and steel, electrical appliances, textiles and other groups of factory employment, on the whole, reported improvement over 1935. As in most of the cities for which data are tabulated, construction in Hamilton was at a low level, the index averaging 49.4, compared with 53.4 in the preceding year. On the other hand, trade afforded greater employment in 1936.

Windsor.- The index number of employment in Windsor averaged 121.3 and the recorded payrolls of the 172 co-operating firms averaged 16,495 workers in 1936, compared with the mean index of 115.0 and 15,568 employees in 165 establishments reported during the preceding year; in 1929, when employment was at its maximum for this record, the average index was 153.2. Manufacturing showed general improvement, the index averaging 129.9, or 6.2 points higher than in 1935. Heightened activity, on the whole, was indicated in automobile and other factories. Employment in construction continued in very small volume, the index at 32.3 being only fractionally higher than in the preceding year. Owing to the employment policy followed by some firms in Windsor, it frequently happens that activity at the date of these enquiries is at a lower level than on many other days in the month; the practice of reducing working hours rather than personnel is also an especially important factor in the situation in that centre.

Winnipeg.- Conditions in this city continued to improve moderately, but employment was still dull, the index being lower than in any other leading city, except Montreal. Owing to its geographical position, Winnipeg has been particularly affected by the agricultural situation, as well as by other unsatisfactory factors of more general application. Improvement was noted in only five months, the difference between the low and the high index of employment being eight points. The mean index for the year was 92.3, compared with 87.8 in 1935. The manufacturing division as a whole was brisker in every month of the year under review than in 1935; considerable improvement occurred in iron and steel, food, textile and other factories. Transportation, construction and trade generally reported a larger volume of employment. An average staff of 39,595 was employed by the 473 firms whose data were received during the twelve months under review, compared with 37,529 reported by 448 establishments in 1935.

Vancouver.- During 1935, employment in Vancouver had advanced during six months; the 1936 period of expansion extended over seven months, while the index averaged 103.7, or 7.1 points more than in the preceding year. The Dec. 1 index, at 106.0, compared favourably with that of 97.2 recorded at Jan. 1; in 1935, however, there had been a gain of 11.6 points between Jan. 1 and Dec. 1. Data were furnished by 429 employers with an average payroll of 33,295 workers in 1936, while in 1935 the means were 405 establishments and 30,630 employees. The unemployment existing in Vancouver, as in other industrial centres, is doubtless greater than would be indicated by these surveys of employment, owing to the unemployed transients who gravitate there, although they may never have appeared on any of the payrolls reported by Vancouver establishments. The situation in that city is aggravated by the milder winters enjoyed as compared with other parts of Canada.

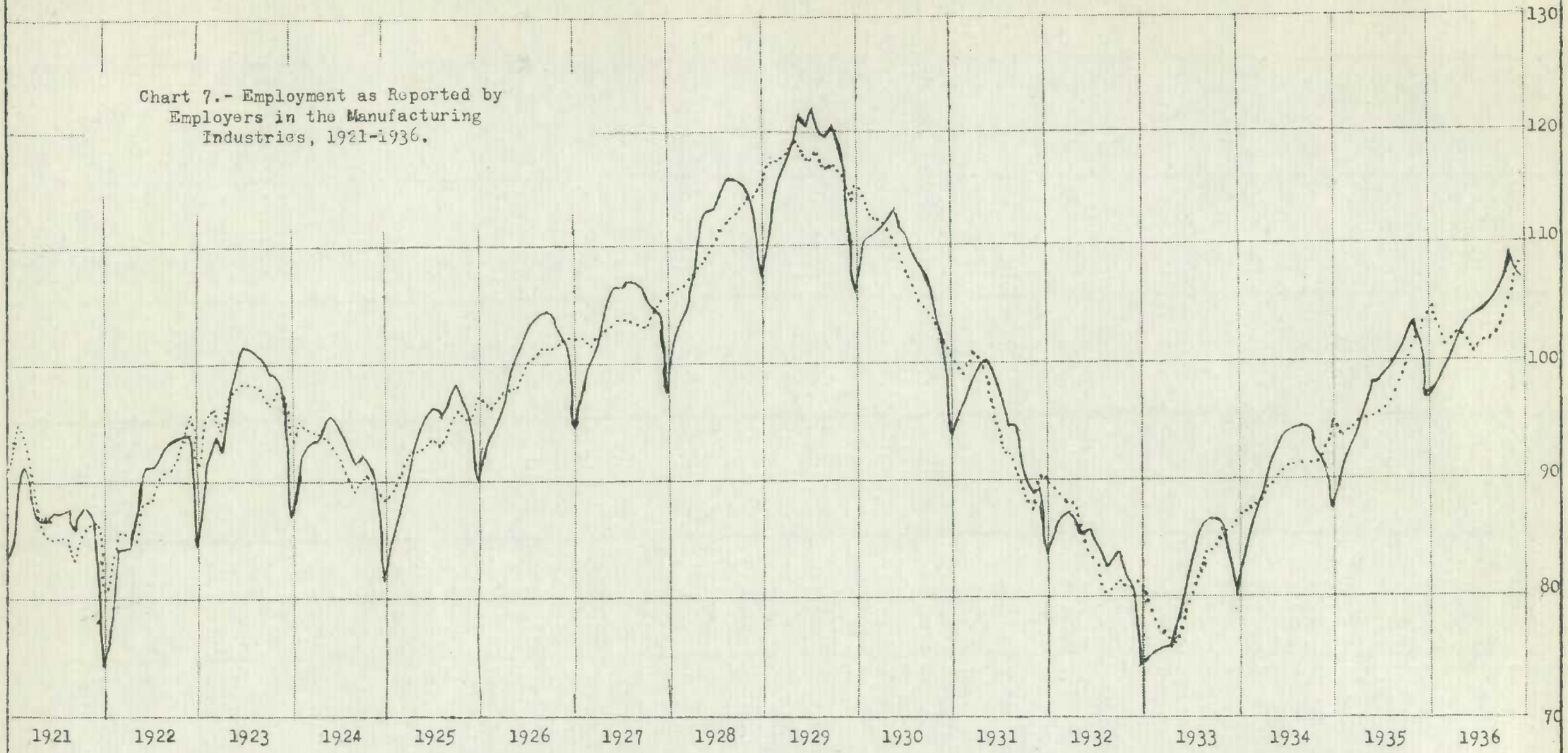


Chart 7.- Employment as Reported by Employers in the Manufacturing Industries, 1921-1936.

The heavy curve is based upon the number of persons employed at the first day of the month by the firms reporting, compared with the average employment they afforded in the calendar year 1926 as 100. The broken curve shows this crude curve corrected for seasonal variation as determined by the experience of the last fourteen years.

Manufacturing showed improvement over 1935 during most months of 1936, when the index averaged 105.6, or 10.1 points higher than in the year before. In most months, the lumber trade showed heightened activity, and other manufactures were also generally brisker. The indexes for communications, transportation, services and trade in each case averaged higher than in 1935; there was a slight advance in construction, but the index continued low, averaging only 59.9 during the twelve months.

Index Numbers in Eight Leading Cities.

Index Numbers by cities are given in Table 2, and Chart 6 illustrates the fluctuations of employment in the larger industrial centres during the last few years, the curves being based upon the figures given in Table 2.

EMPLOYMENT BY INDUSTRIES.

MANUFACTURING.

Employment in manufacturing generally increased month by month from Jan. 1 to Oct. 1, some 62,800 men and women being added to the staffs of the co-operating establishments during this period. In 1935, there had been advances from the first of the year to Nov. 1, or during ten months, while no previous year has shown more than nine consecutive monthly advances. Seasonal losses on a scale less than average in the experience of the years, 1921-1935, were noted at Nov. 1 and Dec. 1, 1936; the result was that the index at the latter, after adjustment for seasonal influences, stood at 108.1, a level higher than in any other month since midsummer of 1930.

The crude index at the end of the year, at 107.0, was 10.5 p.c. higher than at Jan. 1, 1936, this increase over the twelve months exceeding the average advance indicated between Jan. 1 and Dec. 1 in the period 1921-1935. Employment in each month of 1936 was in greater volume than at the same date in the preceding year, while the unadjusted index at the 1936 maximum of 109.0 at Oct. 1, was higher than in any other month since Aug. 1, 1930.

Statistics were received during 1936 from some 5,710 manufacturers employing, on the average, 522,756 operatives, as compared with the average of 487,664 reported by the 5,480 establishments making returns in 1935. The index averaged 103.4 p.c. of the 1926 payrolls of the co-operating firms, as compared with a mean of 97.1 in the preceding year, 90.2 in 1934, 80.9 in 1933, 84.4 in 1932, 95.3 in 1931, 109.0 in 1930 and 117.1 in 1929.

Index numbers are prepared for 45 different divisions and sub-divisions of factory employment; in 41 of these, employment on the whole was in greater volume than in 1935; in two it was unchanged, while in the remaining two it was not so brisk.

The most pronounced gains during 1936 occurred in the iron and steel and other metal, textile, lumber, vegetable food, chemical and clay, glass and stone divisions. The mean index in iron and steel advanced from 82.7 in 1935, to 89.2 in the year under review, or by 7.9 p.c.; this gain is of particular importance as indicative of a continued upward movement in the production of capital goods, the recovery from the low point of the depression having originated in the production of goods for immediate consumption.

The highest level of employment, relatively to the 1926 basic average, was maintained in the edible animal, leather, vegetable food, textile (notably silk, woollen and knitting mills), tobacco and beverage, chemical, electric light and power, electrical apparatus, rolling mill, automobile, heating appliance, non-ferrous metal, non-metallic mineral and miscellaneous manufactures. On the other hand, the indexes in fur, lumber, musical instrument, rubber, cotton, clay, glass and stone and iron and steel works as a whole, were lower than the average for all manufacturing industries.

Animal Products- Edible.- During 1936, employment in this group showed advances during six months, the index rising from its minimum of 107.2 at Mar. 1 to 142.5 at the maximum at the beginning of August; in the preceding year, the period of expansion had extended over five months, but the maxima in 1935 and 1936 were practically the same. The mean index in the animal food group, however, at 123.5, was over six points higher than in 1935; fish-preserving and meat-packing plants and dairies contributed to this improvement. The payrolls of the 296 employers furnishing statistics averaged 23,815 workers, varying between 20,564 at Mar. 1 and 27,640 at the beginning of August; in the year before, 275 co-operating firms reported a mean working force of 22,171 persons.

Leather and Products.- Leather factories, on the whole, afforded more employment throughout 1936 than in 1935. An average staff of 22,090 employees was recorded by the 294 co-operating establishments, and the mean index was 108.3, as compared with 104.6 in 1935, 95.8 in 1934 and 90.5 in 1933. Footwear factories showed moderate improvement, and there were also gains in tanneries and in the production of other leather goods.

Lumber Products.- The seasonal fluctuations indicated in the lumber trades during 1936 differed from those of the preceding year. Although the 1935 period of expansion had extended over only six months, the increases then reported had exceeded those indicated during seven months of the year under review. However, the succeeding seasonal declines were also smaller than during the autumn and early winter of 1935, and the average index, at 76.9, was between five and six points higher. The payrolls of the 829 firms furnishing data, on the average, ranged between 46,237 persons at the beginning of August, and 33,314 at Jan. 1, averaging 40,604 in the 12 months, as compared with the 1935 mean of 37,422 employed in 806 establishments. Rough and dressed lumber mills, stimulated by an increased demand arising from improved industrial conditions at home and abroad, were more active in every month than at the same period of the year before. Gains in this comparison were also noted, on the whole, in furniture and other lumber-using plants.

Musical Instruments.- Employment in musical instrument factories was more active than in 1935, according to statements from 35 firms whose staffs averaged 1,319. The mean index stood at 46.2 in 1936, compared with 37.8 in the preceding year. The production of wireless apparatus is not included in this industrial group, which continues to be seriously affected by the popularity of radios, as well as by other unfavourable factors of a more general character.

Plant Products, Edible.- Employment in vegetable food factories generally was brisker in 1936 than in the preceding year; canneries reported decided improvement, and chocolate and confectionery, bread and bakery and some other divisions of the group also recorded larger payrolls. An average working force of 33,433 persons was registered by the 460 reporting establishments, the number of operatives ranging between 27,814 at Feb. 1, and 46,908 at the beginning of October. The mean, general index was 115.4 in 1936, compared with 106.7 in the year before.

Pulp and Paper.- The pulp and paper industries continued to reflect a certain measure of recovery in the foreign and domestic market, employment throughout 1936 averaging higher than in the preceding year. The trend was favourable in eight months and at the beginning of December, the index, standing at 105.5, was over nine p.c. higher than at the beginning of the year, being also higher by 6.9 p.c. than at Dec. 1, 1935. The reported staffs of 600 establishments averaged 61,471 employees, and the index 101.1, as compared with the mean index of 95.6 in the preceding year, when 584 plants had employed 57,894 men and women. Employment in 1936 was generally greater in each of the three divisions of the group - pulp and paper, printing and publishing and paper goods.

Rubber Products.- Activity in rubber factories showed quite steady improvement in 1936, and was in greater volume than in 1935, the mean index being 97.8, as compared with 92.3 in the year before. The Dec. 1 index, at 101.2, was ten p.c. higher than at Jan. 1, 1936. The payrolls of the 52 plants supplying information during 1936 averaged 12,464, ranging between 11,722 workers at Jan. 1, and 13,150 at the beginning of October. In the preceding year, the employees had averaged 11,763, the number of establishments being the same.

Textile Products.- The textile industries continued active during 1936, employment being at a much higher level than was reported in manufacturing as a whole; the index at 120.8 at the end of the year was higher by 7.5 points than at the beginning of January, being also higher than at Dec. 1 in the preceding year. The index in each month of 1936 was above that in the same period of 1935, while the twelve-month mean stood at 117.7, as compared with 111.6 in 1935. An average staff of 100,953 was employed by the co-operating manufacturers, who averaged 1,014; in 1935, 965 firms reported 95,224 employees. The cotton, woollen, silk, hosiery and knitting, garment and other branches of this group shared in the generally upward movement.

Tobacco, Distilled and Malt Liquors.- Statements were compiled from 178 firms, whose working forces averaged 16,507 persons. The mean index was 122.9 in 1936, as compared with 121.5 in 1935. Tobacco factories were quieter during some months of the year under review, while steady improvement was noted in beverage establishments.

Chart 8.- Employment by Leading Industries, 1933-1936.

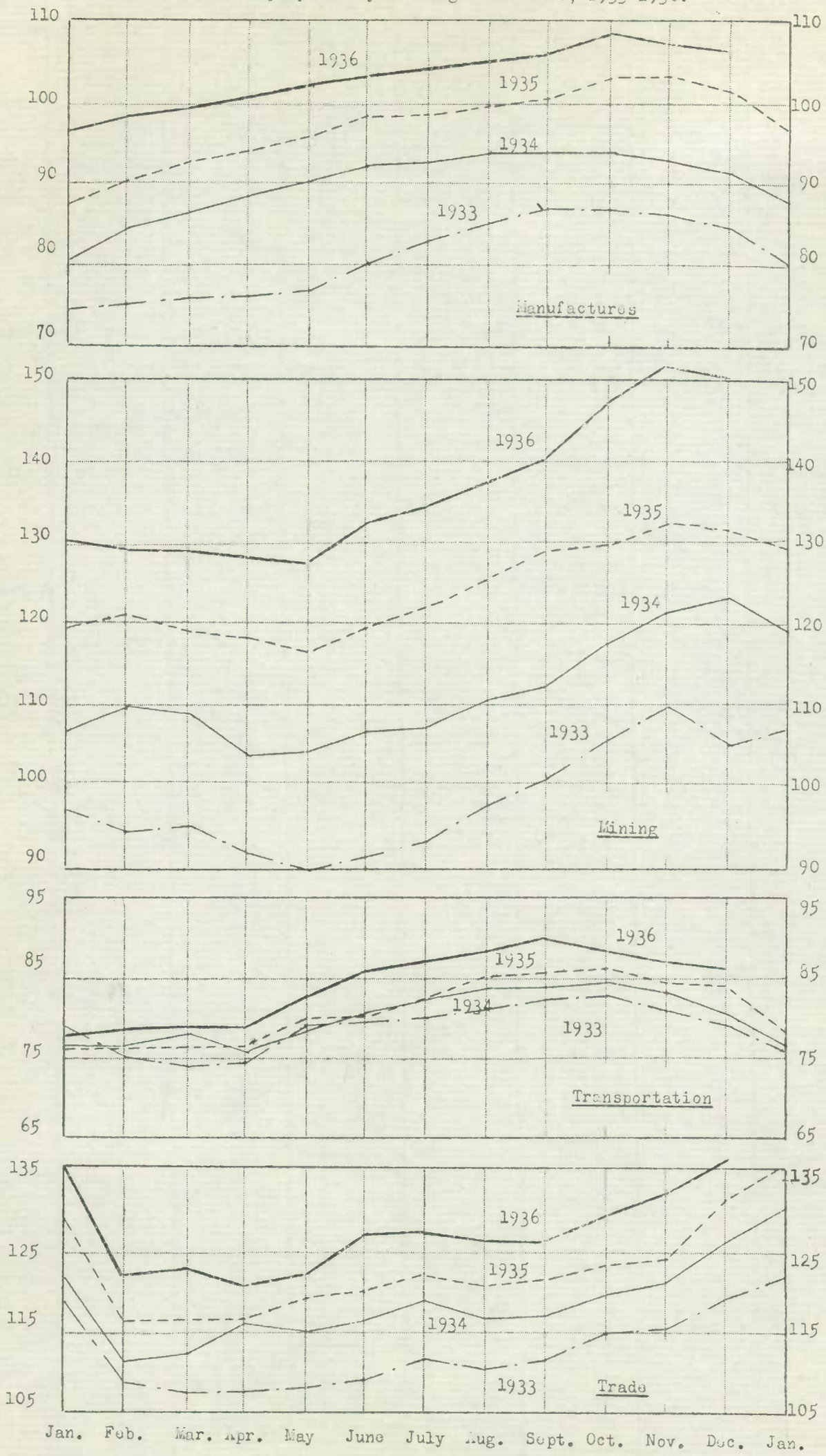
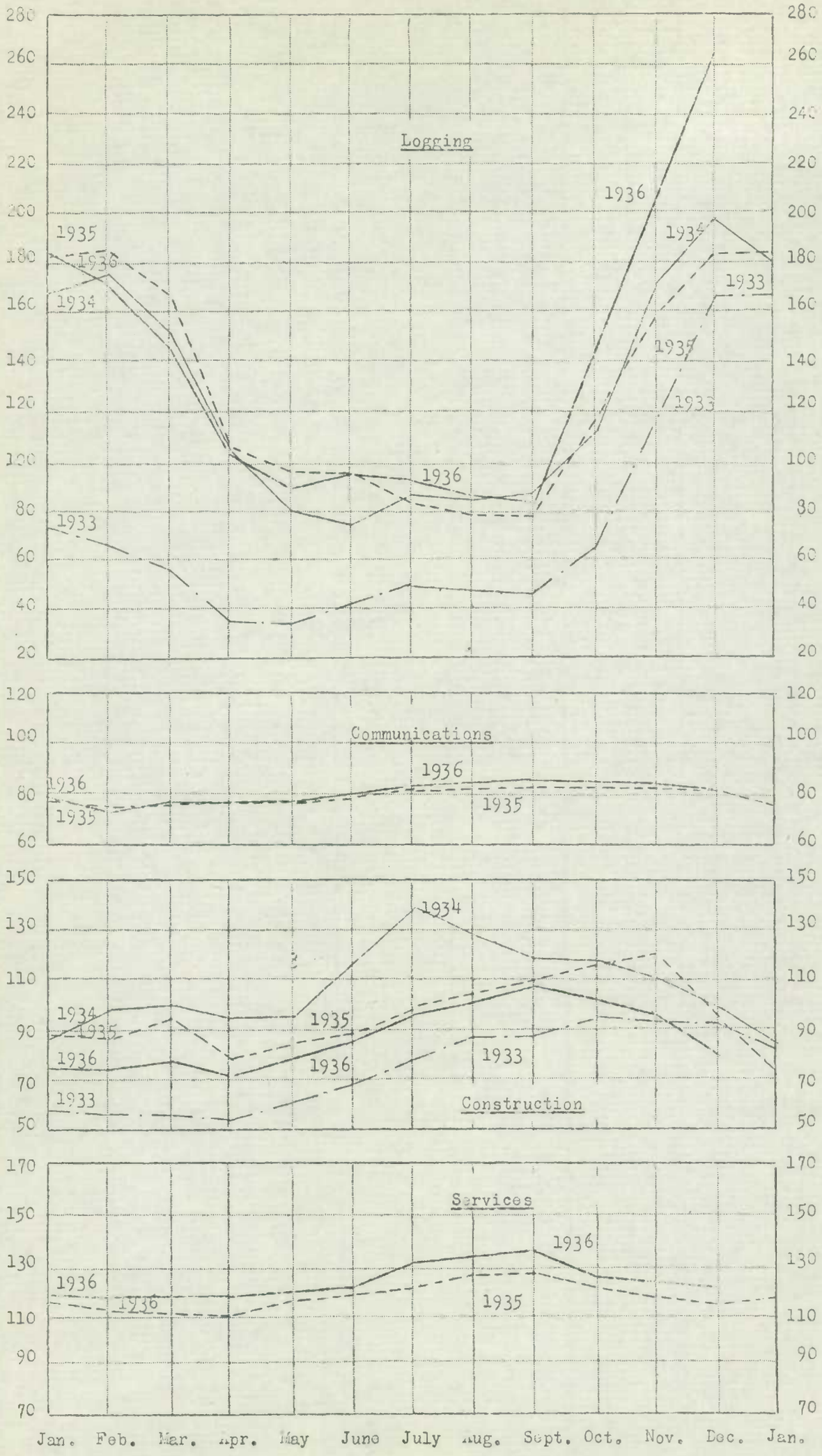


Chart 9.- Employment by Leading Industries.



Chemical and Allied Products.- The level of employment in this group was substantially higher than that reported in the preceding year; the index averaged 138.1, as compared with 128.9 in 1935. An average staff of 11,354 was registered by the 200 employers whose statistics were tabulated. In 1935, a mean of 190 firms had reported working forces averaging 10,251 persons.

Clay, Glass and Stone Products.- While employment in these industries was still greatly depressed as compared with earlier years of the record when building had been active, the situation was nevertheless better than in any other year since 1931. The index number averaged 79.6, while in 1935 it was 72.4; in 1933, at the minimum, it was 55.6, and in 1929, the year of maximum activity, it stood at 126.2. For the twelve months under review, 201 factories reported an average payroll of 8,806 persons, ranging from 7,143 at Feb. 1, 1936, to 9,857 at the beginning of September. The firms making returns in the preceding year had an average of 7,978 employees.

Electric Light and Power.- The number reported as engaged about electric light and power plants was larger in each month of 1936 than in the preceding year. The index averaged 116.7, as compared with 112.5 in 1935, while the aggregate staffs of the 98 co-operating producers averaged 14,733 during 1936. The trend was steadily upward from Feb. 1 to Sept. 1.

Electrical Apparatus.- Employment in this division, which includes a considerable proportion of the firms producing radios and equipment, was in larger volume in 1936 than in 1935. The 121 reporting firms had, on the average, 14,831 workers, and the mean index was 121.6, as compared with 109 employers of 12,450 persons, and a mean index of 114.2 in 1935.

Iron and Steel Products.- Iron and steel works have shown important increases since the low point of the depression in these industries was reached in 1933; during 1934 and 1935, substantial improvement was indicated, while the favourable movement continued generally in evidence throughout 1936. The usual contraction at the opening of last year was followed by marked recovery until May 1. The tendency was then downward in the next four months, while the upward trend was resumed at the beginning of October, and there were large gains at Nov. 1 and Dec. 1. The index, at its 1936 peak of 94.1 at May 1, was 10.8 p.c. higher than at Jan. 1, being also higher than in any other month since May of 1931. The Dec. 1 index, at 92.1, compared favourably with that of 86.8 indicated at the same date in the preceding year, while the average for the year was 89.2, or 7.9 p.c. higher than the 1935 mean of 82.7, and 46.0 p.c. higher than the 1933 average (61.1).

The aggregate working force of the 852 manufacturers of iron and steel products furnishing data during 1936 averaged 117,086 persons; in 1935 the mean of the 835 establishments was 108,994, and at the 1929 maximum, it was 161,126 in the 661 co-operating plants. The average labour force per establishment in the year under review was 137, compared with 131 in 1935.

In practically every month of 1936, employment in the crude, rolled and forged, machinery, land vehicle, heating appliance, structural iron and steel, foundry and machine shop and miscellaneous iron and steel plants was at a higher level than in the same period of 1935. In agricultural implement factories activity, on the whole, was slightly greater, while no general change was shown in automobile and steel ship building works. This general improvement during the year under review is of especial importance as indicative of recovery in the manufacture of the agents of production; nevertheless, activity in the iron and steel group continued at a low level as compared with most years for which statistics are available. The index for the year, as already stated, was only 89.2 p.c. of the 1926 average as 100.

Non-Ferrous Metal Products.- Employment in this division was on the whole in decidedly greater volume, the index averaging 133.1, as compared with 119.6 in 1935. The reported employees numbered 21,172, on the average, and were engaged in 167 establishments, as compared with a 1935 mean of 18,940 workers in 154 plants. Additions to staffs were recorded in eight months of last year, while the index rose by nearly 21 points from Jan. 1 to Oct. 1, when the employment index was at its peak of 142.7. This was 16.9 points higher than at the beginning of October in 1935.

Non-Metallic Mineral Products.- There were gains in seven months of the year; these were on a rather smaller scale than those noted during 1935, when the period of expansion had been longer by one month. However, the 1936 employment index averaged slightly higher, at 138.2, as compared with 134.6 in the preceding year. Statements were received each month from 139 firms whose staffs averaged 13,991

persons, [illegible] 8 employers had 13,585 workers on their payrolls. Employment [illegible] the manufac[illegible] non-metallic minerals was higher in the last four years in relation to the 1926 average than in most other manufacturing divisions.

Other Manufacturing Industries.- Fur factories on the whole reported a slightly lower level of employment than in 1935, the index averaging 90.4, as against 91.8 in the preceding year. The production of miscellaneous manufactured products showed considerable advances, the situation being better than in the last few years, while improvement was also indicated in wood distillates and extracts.

LOGGING.

Employment in logging during 1935 had reached a volume never exceeded in this record; during 1936, activity generally continued at a high level, and the annual index showed a further increase, standing at 138.7, as compared with 126.9 in 1935, and with 125.8 in 1929, the previous maximum. Improvement over 1935 was indicated in all but the Prairie Provinces, that in Quebec being especially marked. The working force of the 321 logging firms supplying information during 1936 averaged 39,234. The reported payrolls varied between 25,033 at May 1 and 75,664 at the first of December. In 1935, the number employed by the 301 employers co-operating was 35,427. Previous issues have mentioned that the difficulties of collecting data covering bush operations are constantly increased by the growing practice on the part of the larger operators, of letting contracts for their wood requirements to small contractors and to settlers on the northern frontiers of settlement. From many of such contractors, it is impossible to obtain data, at any rate in time for inclusion in the monthly surveys of employment.

MINING.

There were gains in mining during seven months of 1935, while the trend was upward in only six months of last year, when employment was, however, maintained at a consistently higher level, being, on the average, also in greater volume than in any other year on record. The index at 150.3 at Dec. 1, 1936, was 15.7 p.c. higher than at the opening of the year, and was also 14.6 p.c. higher than at Dec. 1, 1935. The mean index for 1936 was 136.5, compared with 123.3 in the preceding year.

In coal-mining, employment was in slightly greater volume, on the whole, the index averaging 89.8, compared with 88.4 in 1935. The labour force of the 102 co-operaring operators averaged 24,300 workers in 1936, as against a mean of 23,915 men employed in 101 mines in the preceding year.

Employment in the extraction of metallic ores was generally much brisker than in 1935, or any other year for which statistics are available; the mean index, at 256.0, was over 17 p.c. above the average of the preceding year. The index varied from 226.6 at Jan. 1 to 286.7 at Nov. 1, showing uninterrupted improvement during these months. The staffs of the 189 reporting firms averaged 30,991 during the year under review, compared with 26,064 in 157 mines during 1935. World monetary conditions continued to exercise a decidedly stimulating effect on activity in the metallic ore division.

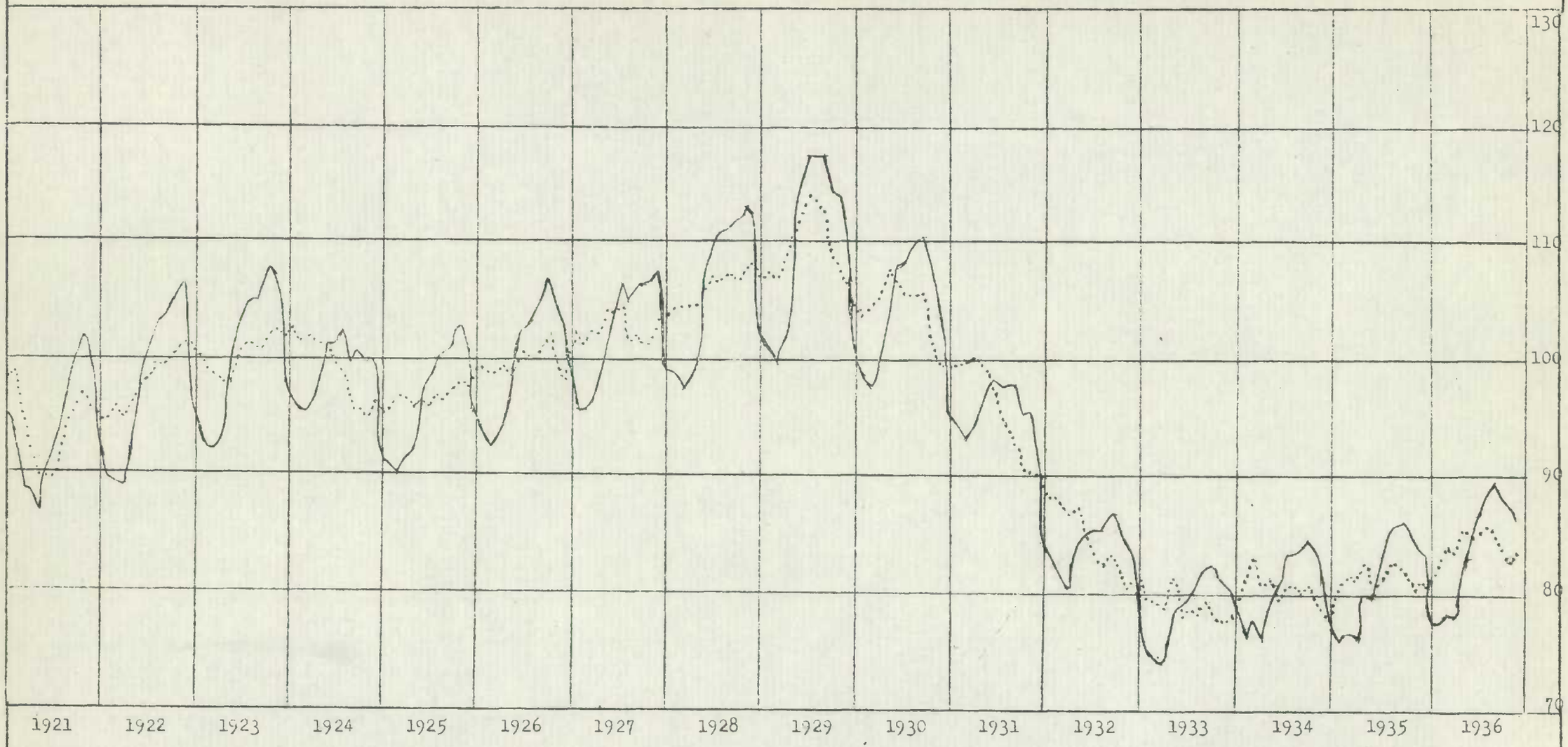
Non-metallic Minerals, (other than coal), again showed considerably increased employment, the situation in each month of 1936 being better than in the same period of the preceding year. The index averaged 110.1, as compared with 94.8 in 1935. An average payroll of 7,547 persons was employed during 1936 by the 81 co-operating firms, while those reporting in the preceding year had a mean of 6,471. Quarries and other divisions coming under this heading recorded heightened activity.

TRANSPORTATION.

The fluctuations in employment during the year under review differed from those of 1935, there being increases in seven months, during which the numbers added to staffs were larger than in the preceding year. The employment index for 1936 averaged 84.1, as compared with 81.2 in 1935. The 436 transportation companies whose returns were tabulated employed, on the average, 100,801 workers, as compared with the mean of 96,047 reported by the 402 employers co-operating in the preceding year.

In the steam railway division, the index averaged 74.7, as compared with 72.1 in 1935. An average working force of 59,414 employees was recorded in steam railway operation, compared with 57,321 in the year before. It is probable that the working hours of many railroad employees, which had been reduced in the last few years, have also been lengthened as a result of the general improvement in business.

Chart 11.- Employment as Reported by Employers in the Transportation Industries, 1921-1936.



The heavy curve is based upon the number of persons employed on the first day of the month by the firms reporting, compared with the average employment they afforded in the calendar year 1926 as 100. The broken curve shows this crude curve corrected for seasonal variation as determined by the experience of the last decade.

Street railways and cartage and storage companies, to the number of 226 with a mean of 26,224 workers, reported a slightly better level of employment, the index averaging 117.1, or over four points higher than in the preceding year. Activity in shipping and stevedoring was also rather greater than in 1935; the mean index was 84.5, while the reported staffs averaged 15,163, varying between 11,424 persons at Jan. 1, and 17,298 at the beginning of July. In the year before, the mean index was 82.3.

COMMUNICATIONS.

The communications division reported a very slightly greater volume of employment than in the preceding year, the index averaging 81.0, compared with 79.8 in 1935. Telegraphs and telephones both showed moderate improvement. The personnel of the companies furnishing data averaged 21,456 employees, of whom approximately 77 p.c. were engaged on telephones. In the preceding year, the average was 21,099, some 77 p.c. of whom were also engaged in telephonic communications, while in 1933 this proportion had been 80 p.c. In Chart 9, curves for 1936 and 1935 only are shown for communications; the data for the last four years have been so similar that it was impracticable to depict 1934 and 1933 in this mimeographed reproduction.

CONSTRUCTION AND MAINTENANCE.

Employment in construction showed general advances in six months of 1936, during which period approximately 48,500 workers were taken on by the co-operating contractors; in the preceding year, increases were recorded in eight months, and the number of persons then added to the payrolls was about 55,300. In 1936, the persons engaged on unemployment relief projects[1/] were not so numerous as in 1935, when they in turn were in smaller number than in 1934 and 1933. There were advances last year in railway construction, to which many workers were transferred from the unemployment relief camps; however, these gains were not sufficiently large to counteract the declines recorded in work on roads, while building contractors showed no general change from the preceding year. Employment in construction as a whole was therefore in smaller volume than in 1935 and most other years of the record. This was the only main industrial group showing reduced activity from 1935. The forces of the 1,082 co-operating employers aggregated 103,796 in the year being reviewed, varying from 84,265 at Apr. 1, to 128,463 at the beginning of September.

Building construction gained in only five months in 1936, as compared with eight monthly increases in 1935. However, the mean index in the year under review, (55.4 p.c. of the 1926 average), was the same as in the preceding year, but was very much lower than in years of normal building activity. The average number of persons employed by the 699 reporting contractors was 22,499. In 1935, 669 contractors had reported an average of 22,400 employees. As already stated in connection with logging, there is an increasing tendency for the larger contractors to sublet their contracts, by trades, to sub-contractors, who usually employ a comparatively small number of workers. When they have fewer than 15 employees, they are not asked to furnish data on employment, so that the number employed in building is undoubtedly substantially in excess of that covered in these statistics. This is particularly true of the present time, when much of the considerable volume of work resulting from the Dominion Housing Act and the Government Home Improvement Plan, being carried out by the smaller contractors, will not be reflected in the monthly surveys of employment.

Road construction as reported to the Dominion Bureau of Statistics afforded less employment in every month of 1936 than in the same period of 1935. The payrolls reported in the year under review averaged 50,342, ranging between 40,291 at Feb. 1 and 61,689 at the beginning of November; in 1935 the average was 64,865. The 1936 indexes averaged 135.5, compared with 175.5 in 1935 and 221.3 in 1934. In many districts, road work normally is supplementary to the occupations usually followed by nearby residents, particularly agriculturists during slack periods on their farms, but in the last few years has provided work for men on unemployment relief projects. The number [1/] engaged by the Dominion and Provincial governments on the Trans-Canada Highway and other unemployment relief projects and camps, however, was smaller than during 1935, and there were not so many employed on work of this nature by the municipalities and other authorities.

1/ See footnote on page 5.

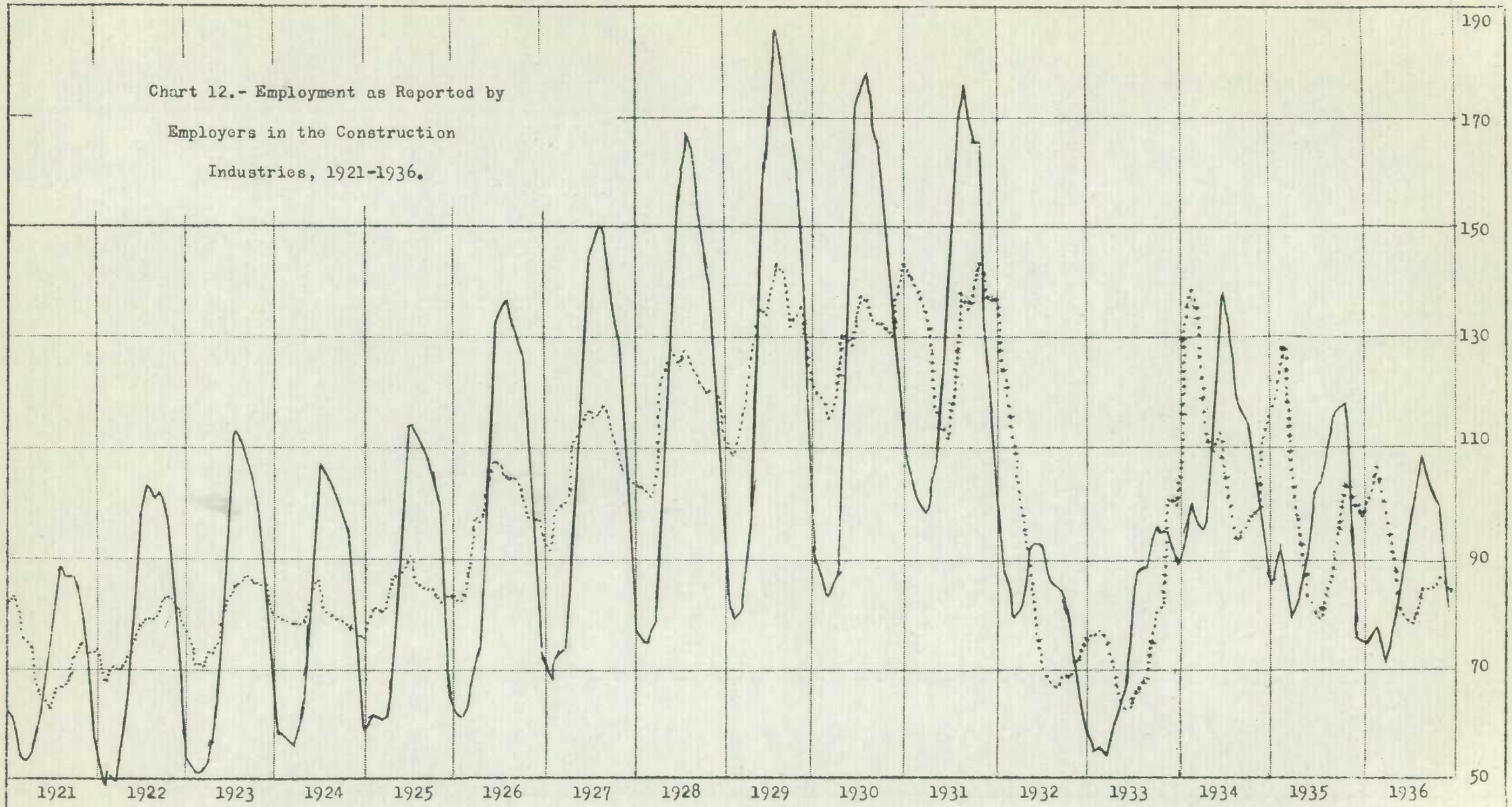


Chart 12.- Employment as Reported by Employers in the Construction Industries, 1921-1936.

The heavy curve is based upon the number of persons employed on the first day of the month by the firms reporting, compared with the average employment they afforded in the calendar year 1926 as 100. The broken curve shows this crude curve corrected for seasonal variation as determined by the experience of the last decade.

Employment in railway construction was generally rather more active, improvement being indicated in seven of the twelve months, while the working forces averaged 30,955, as compared with 27,417 in the preceding year. The reporting employers averaged 33, one fewer than in 1935. The mean index was 77.6, while in 1935, it was 68.8. In 1928, when activity was at its maximum in this record of fifteen years, an average payroll of 46,148 persons was reported, and the mean index stood at 116.7.

SERVICES.

Statements were received monthly from some 464 firms in this division, whose employees averaged 27,028. The situation showed improvement during eight months of the year under review, while employment in each month was in greater volume than at the same date of 1935. The index averaged 124.5, compared with 118.2 in the preceding year, and 115.1 in 1934. Employment in hotels and restaurants was brisker than in 1935, reflecting the generally improved business situation, together with the better tourist trade resulting therefrom. In laundering and dry-cleaning establishments, employment was also in greater volume than in the preceding year, the mean index, at 130.7, being nearly ten points higher. As in the case of communications, the chart for services depicts only the curves for 1935 and 1936, - those for 1934 and 1933 being too similar to be shown also in a minemographed chart plotted on the scale used in Chart 9.

TRADE.

Trade was generally at a higher level than in 1935; at the first of February, employment showed the usual pronounced contraction (in reaction from the intense activity of the Christmas and holiday season), and it also declined at the beginning of April and August. Apart from these recessions, the trend was steadily upward throughout the year under review. The payrolls of the 1,249 co-operating firms averaged 101,832 persons, and the index, 127.5, compared with 122.1 in 1935.

It has been mentioned in previous issues that during the depression, many establishments, in order to keep on most of their usual staff, reduced the hours worked, so that the per capita earnings of the persons employed would, if available, have shown a greater falling-off than the personnel. In the same way, it is likely that the working hours of many men and women in trading establishments have recently been extended, with consequent increase in the earnings of the individual, as well as in the numbers employed.

Of the workers reported in the trade group during 1936, approximately 74 p.c. were classified as employed in retail stores, in which activity was relatively greater than in wholesale houses. In recent years, there has been a growing tendency for the larger stores and chain organizations to absorb the small businesses which would otherwise not be represented in these statistics, and this change in organization may have helped to keep the index of employment in trade at a relatively high level.

TABLES SHOWING EMPLOYMENT BY INDUSTRIES.

Table 3 gives index numbers of employment by main industrial divisions in the last three years, together with annual averages since 1921, while the trend of employment in some 60 industries during the years, 1934-36, is shown in Table 4.[1] The columns headed "relative weight" give the proportion that the number of employees in the specified industry is of the total number of employees reported in Canada by the firms making returns at June 1 of the indicated years.

1/ Detailed indexes for the years 1924-1933 may be obtained on application to the Dominion Bureau of Statistics.