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Unemployment and Unemployment Relief in Nova Scotia

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of Mr. Purvis, and about the success already accomplished. During a recent stay in Ottawa I had an excellent opportunity to witness the energetic efforts of the Commission and of the Department of Labour to master their difficult task. But it is not for me, as it would have been for Mr. Rogers, to describe the problems which concern the whole Dominion. I want to restrict myself to Nova Scotia and the problems peculiar to the Province. Some of you may object to my doing so on the ground that the period of two years during which I have studied the problem does not seem long enough. I may experience a similar rebuff to that received by my former colleague, the late Professor MacMechan, who was told when he published his collection of Nova Scotia Fairy Tales, after thirty-five years residence in the Province, "What does this man know about Nova Scotia if he was not born here?" Well, I am under the same disability and I am not sure whether the thirteen years of experience which I had in the Old Country in the field of unemployment relief will make up for it in your eyes.

Let me now repeat my first question as it applies to Nova Scotia. Is unemployment relief likely to become permanent in this Province? I do not think it is a satisfactory answer to refer to the present state of relative recovery. It is true that the unemployment situation has improved considerably during the last year. But can we be sure that it will continue to improve or even that employment will remain at the present level? The student of economic history knows that our economic system is subject to certain cyclical movements which bring with them the spells of unemployment, recurring at more or less regular intervals. Nova Scotia is exposed to these changes though perhaps not to the same extent as some other parts of Canada. For it seems to me that the economic structure of the Province is more solid than that of the Western Provinces. But on the other hand unfavourable conditions in the West would be likely to react on this Province. The Jones Commission in its able report made that very clear. Moreover, the economic structure of the Province itself offers some vulnerable spots. How quickly the fishing industry suffers if there is depression in its foreign markets! In a still greater degree the same is true of the Nova Scotia coal and iron industries. We all hope the difficulties that these industries have encountered during the last few years will not recur, but a prudent administration will learn the lessons

TABLE 1.

EMPLOYABLE PERSONS AND THEIR DEPENDANTS ON RELIEF IN NOVA SCOTIA, FEBRUARY, 1936.

	EMPLOYABLE (UNEMPLOYED)										DEPENDENTS							
	There are included all persons 16 years of age and over (except housewives and dependants 16 years of age and over attending school full time) who are physically and mentally capable of work and available for gainful employment.										There are included dependants of Heads of Families shown in Columns 2, 3 and 4, who while not unemployable through mental or physical disability, are not available for employment.							
	Heads of Families			Dependants on Heads of Families			Individual Cases (One person only)			Employable Persons (Totals of Cols. 2 to 10)			Wives of Heads of Families	Children under 16 dependant on Heads of Families	Depend'ts on Heads of Families who are 16 yrs of age and over attending school full time.		Depend'ts (Total of Cols. 14 to 18)	
	2 Male	3 Female	4 Total	5 Male	6 Female	7 Total	8 Male	9 Female	10 Total	11 Male	12 Female	13 Total	14 Female	15 Male	16 Female	17 Male	18 Female	19 Total
TOTALS.....	4,416	450	4,866	1,536	1,159	2,695	652	117	769	6,604	1,726	8,330	4,281	6,689	6,603	51	70	17,694
A																		
Length of Time on Relief:																		
Less than one year.....	2,525	206	2,731	....	....	....	391	55	446	2,916	261	3,177	....	....	....	....	....	....
Between one and two years..	570	61	631	....	....	....	87	20	107	657	81	738	....	....	....	....	....	....
Between two and three years	646	80	727	....	....	....	64	20	84	710	100	810	....	....	....	....	....	....
Between three and four years	479	78	557	....	....	....	61	17	78	540	95	635	....	....	....	....	....	....
Between four and five years..	177	24	201	....	....	....	34	4	38	211	28	239	....	....	....	....	....	....
Between five and six years...	19	1	20	....	....	....	15	1	16	34	2	36	....	....	....	....	....	....
Assisted prior to 1930.....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
TOTALS.....	4,416	450	4,866	....	....	....	652	117	769	5,068	567	5,635	....	....	....	....	....	....
B																		
Age Distribution:																		
years years																		
0 to 5.....	....	....	....	....	....	....	....	....	....	....	....	....	....	2,763	2,759	....	....	5,522
6 to 10.....	....	....	....	....	....	....	....	....	....	....	....	....	....	2,035	2,037	....	....	4,072
11 to 15.....	....	....	....	....	....	....	....	....	....	....	....	....	....	1,891	1,807	....	....	3,698
16 to 20.....	189	26	215	830	716	1,546	77	7	84	1,096	749	1,845	417	....	....	51	70	538
21 to 30.....	1,172	84	1,256	442	243	685	141	19	160	1,755	346	2,101	1,371	....	....	....	....	1,371
31 to 40.....	1,147	113	1,260	94	68	162	109	19	128	1,350	200	1,550	1,078	....	....	....	....	1,078
41 to 50.....	912	111	1,023	78	58	136	92	25	117	1,082	194	1,276	725	....	....	....	....	725
51 to 60.....	617	77	694	86	62	148	119	25	144	822	164	986	441	....	....	....	....	441
61 to 70.....	362	38	400	6	10	16	99	22	121	467	70	537	225	....	....	....	....	225
Over 70.....	17	1	18	0	2	2	15	0	15	32	3	35	24	....	....	....	....	24
TOTALS.....	4,416	450	4,866	1,536	1,159	2,695	652	117	769	6,604	1,726	8,330	4,281	6,689	6,603	51	70	17,694

above 16 attending school, who are not available for work. 769 were "individual cases," that is single adults without dependants. These figures include only persons who are employable and their dependants. There was also a small group of people who received unemployment relief though they were unemployable for physical or mental reasons—a contradiction in itself. In contrast to other Provinces this group is not large, just 289 men and women with 246 dependants, 535 altogether. Surprising is the great number of females among them. While there is one female to four males among the employables, there are three women to four men in the unemployable group.

We learn a little more about unemployment in Nova Scotia when we examine its duration, with respect to individual persons. If we take the Province as a whole the figures appear rather favourable. More than half the unemployed have been on relief for less than a year, and less than a third for more than two years.

But we get a different picture if we look at the districts which are centres of unemployment in the Province. According to the information given by the Honourable Norman Rogers in parliament on March 30, 1936, the length of time on relief of recipients in Halifax, Glace Bay and Sydney during January 1936 was as follows:

TABLE 2.

Length of time on Relief	Employable Persons			Unemployable Persons		
	Family Heads %	Individ'l Cases %	Total %	Family Heads %	Individ'l Cases %	Total %
Less than 1 year.....	26.5	37.7	28.4	19.8	20.0	19.8
1 to 2 years.....	21.2	15.9	20.3	16.5	12.5	15.3
2 to 3 years.....	26.5	17.9	25.1	22.0	17.5	20.6
3 to 4 years.....	19.2	23.8	19.1	27.4	17.5	24.4
4 to 5 years.....	6.2	3.9	5.8	12.1	30.0	17.6
5 to 6 years.....	0.4	0.8	0.5	2.2	2.5	2.3
Over 6 years.....	0	0	0	0	0	0

The preceding percentages are based upon reports covering:

	Employable Persons			Unemployable Persons		
	Male	Female	Total	Male	Female	Total
Family Heads.....	1,669	225	1,894	58	33	91
Individual Cases.....	256	102	358	17	23	40

Table shows that of the unemployed in these three centres, half have been on relief for more than two years and only 28 out of 100 have been out of work for less than one year. These figures indicate a worse condition than those for cities in Ontario and Quebec, where at the same time 37 and 39 out of 100 unemployed have been on relief for less than one year. It has been contended that this difference is due to stricter administrative methods in Nova Scotia; people with a short spell of unemployment are not allowed relief at all, and therefore the percentage of long term unemployment is comparatively higher. But these figures may also indicate that unemployment in Nova Scotia cities though not very wide-spread, is of a peculiar nature and that it tends to become chronic. Measures designed to reduce unemployment will have to take these facts into consideration.

If one wants to combat unemployment one must know its causes. It is useless merely to remove the symptoms of an illness, one must find its origin. If we discover that there is heavy unemployment in one industry, while there is a scarcity of labour in another, we have to try to restrict the influx to the first industry. This can be done by spreading information in an appropriate way. We must also try to shift labour, especially unskilled labour, from the first to the second industry. That is not always an easy task, especially in the case of older people. It also requires a well functioning system of employment exchanges with a sound knowledge of the demand and supply for labour in the Province. For all these purposes, we must have knowledge of unemployment in the various trades or industries, and for this we possess a reliable source in existing statistics. But we have to make proper use of them. While, up to now, I have analyzed unemployment statistics for January and February 1936, I base further discussion on the figures for May of this year. I do this because May is a more typical month. The grouping of unemployed by industry was in May as follows: (See Table 3.)

TABLE 3.—VOCATIONAL DISTRIBUTION OF EMPLOYABLE UNEMPLOYED IN N. S. IN MAY, 1936.

Includes all persons 16 years of age and over (except housewives and dependants 16 years of age and over attending school full time) who are physically and mentally capable of work and available for gainful employment.

Occupations (Industries)	Heads of Families			Dependant on Heads of Families			Individual Cases (One Person Only)			Employable Persons (Total of Cols. 2-10)		
	2 Male	3 Fem.	4 Total	5 Male	6 Fem.	7 Total	8 Male	9 Fem.	10 Total	11 Male	12 Fem.	13 Total
Labourers, General.....	1,798	0	1,798	312	0	312	230	0	230	2,340	0	2,340
Mercantile and Office Work.....	128	17	145	31	37	68	17	5	22	176	59	235
Professions.....	48	3	51	9	5	14	8	2	10	65	10	75
Domestic, Hotel, Restaurant and related services.....	47	299	346	9	271	280	9	97	106	65	667	732
Farming.....	6	0	6	8	0	8	4	0	4	18	0	18
Fishing.....	115	0	115	2	0	2	8	0	8	125	0	125
Logging.....	5	0	5	...	...	....	...	...	...	5	0	5
Mining.....	699	0	699	48	0	48	79	0	79	826	0	826
Manufacturing.....	130	13	143	9	10	19	7	7	14	146	30	176
Construction.....	201	0	201	12	0	12	17	0	17	230	0	230
Transportation.....	238	1	239	16	3	19	32	0	32	286	4	290
Never regularly employed:												
Under age 25.....	13	0	13	305	337	682	3	7	10	321	384	705
Age 25 and over.....	14	3	17	5	9	14	18	2	20	37	14	51
TOTALS.....	3,442	336	3,778	766	712	1,478	432	120	552	4,640	1,168	5,808

From this table we see that the unemployment of adult men is chiefly a problem of unskilled labour. More than half of the heads of families (1,800 among 3,400), and of the men without dependants (230 out of 430) are unskilled; while in the whole Province there were only 65 unemployed male professional workers. We are dealing, of course, only with unemployed persons receiving relief, and it may be that a larger proportion of unemployed professional workers are not on relief than is the case with manual workers. We can well understand why the number of heads of families is so much larger among the unskilled. Owing to the temporary nature of the work an unskilled labourer has to accept very often the relatively small wages paid and it is sometimes difficult for the head of a family to take a job away from his home, while no difficulty of this kind exists for men without dependants. More than 40% of the heads of families belonging to the group of unskilled labour have their domicile in Halifax. The second largest group of unemployed is that of the miners, who however, only numbered 870 compared with the 2300 unskilled labourers. This number will very likely have further decreased since May, due to the recovery in the mining districts. We need, therefore, give no further attention to them. Nor can we, owing to lack of time, deal with the other groups of male workers; but I can assure you that our new Institute of Public Affairs of Dalhousie University will engage in research covering this field.

I should like to say a few words about unemployment among female workers. The statistics here lead to quite definite conclusions. Among the 1,200 employable females who received relief more than half had formerly been employed in domestic services, or in hotels and restaurants, the second group probably being much smaller. There is a further number of nearly 400 women and girls who have never yet enjoyed regular work, nearly all of them being under 25 years of age and most of them probably unmarried. Here again Halifax presents the chief problem. More than half of all the unemployed female servants in the Province (381 out of 667) were Haligonians, among them 201 heads of families. On the other hand only one-sixth of all the girls under 25 who have never had regular work are residents of Halifax.

The reasons for the large unemployment among the domestic workers are evident. Many families who up to the time of the

depression kept servants are no longer in a position to do so. In addition, the American labour market which used to be so important for Nova Scotia girls is closed to them. We can only conclude from these figures that we should not encourage girls to enter domestic service for the next few years, but should try to divert those leaving school to some other occupation.

For our guidance in forming a policy, the figures relating to agriculture teach a very important lesson; it seems much easier to find work for the surplus population of the Province in the country than in cities and towns. We must not forget that while in Canada as a whole, according to the census of 1931, the larger part of the population, that is 537 among 1,000, live in towns, cities and incorporated villages, the opposite is true in Nova Scotia. The larger part, 548 in 1,000, live in the rural districts. This points to the great importance of agriculture for the Province, which should always be kept in mind.

While we are dealing with figures, it is interesting to notice how unemployment relief in Nova Scotia compares with other parts of Canada and especially with the neighbouring Provinces. Nova Scotia has 5% of the population of the Dominion. In January last the employable recipients of relief were on the average only 2.17% and the unemployable only 0.60% of the total number of these classes on relief in the Dominion. That is, while there are among 100 Canadians 5 Nova Scotians, there are among 100 employable Canadians on relief only 2 persons from Nova Scotia. Our Province evidently compares very favourably with other Provinces as far as claims on the Dominion Treasury for unemployment relief are concerned. The figures seem to indicate that conditions are sounder and the administration stricter, especially as regards the granting of relief to unemployables.

Nova Scotia has also the best unemployment record among the Maritime Provinces. The number of employable relief recipients was in January 1,400 less, or about 12% smaller than in New Brunswick, in spite of the fact that Nova Scotia has 100,000 inhabitants or 20% more than New Brunswick. The number of unemployables on relief is about the same in both provinces, but there is a great difference in this respect between Nova Scotia and Prince Edward Island. We find that the Island

with one-sixth of Nova Scotia's population had twice the number of unemployables on relief, that is 515 against 289 in Nova Scotia, (without dependants). Here again we encounter the crucial problem of unemployables to which we will give attention later.

Before I finish this statistical part, I should like to tell you what the depression has cost the Province. The total expenditure for direct relief from 1930 to 1935 amounted to \$5,776,144.00; for public works \$1,583,303.00, for highway relief \$3,347,638.00 and for land settlement relief \$750,000. If we work add the expenditure made during 1936 we may say that roughly \$12,000,000.00 have been spent for relief purposes in this Province. About one-third of that sum was contributed by the Dominion Government, one-third by the Province and one-third by the Municipalities.

Considering the large sums which have been spent for direct relief, one is inclined to ask, "Would it not have been possible to use that sum in a more productive way?" Why have not buildings, such as schools and other public works, been undertaken, furnishing work and wages to the unemployed, instead of putting them on the "dole?" You could hear that question asked through the depression all over the world, especially before an election when both Governments and Oppositions asserted they would, if restored to power, do away with the dole and give people employment on public works. Why then have they done comparatively little when elections were over? For the very simple reason that it was too expensive. Very careful calculations have been made in various countries to estimate the cost of public works. The British Unemployment Grants Committee estimated the expenditure for an unemployed man engaged in public work at £400 a year, while direct relief amount to 17s a week. For Canada, one of the best experts in that field, the Deputy Minister of Public Works in one of the Western Provinces, told me that according to his own experience the expenditure on public works for the unemployed amounts to three times the cost of direct relief. That is not surprising; you must remember that wages are not the sole item in a public works budget, you have also to provide materials, machinery, transportation and so on. It is these factors that make public works so expensive. While they should certainly not be neglected, especially where

buildings are needed or important projects as road building can be carried out, it would be Utopian to think that all the unemployed or even the greater part of them could be absorbed in that way. Most Governments learned that lesson during the depression and they found it a better policy to try to strengthen the natural forces of recovery. That sounds very well, but it is rather difficult to achieve, for the influence of a democratic government does not reach very far in the economic sphere. A good many attempts made by European Governments in that direction have been futile. One of the few methods which proved fairly successful has been to encourage house building by providing cheap money for mortgages. This problem is being carefully studied at present by competent authorities in Canada.

Since public works are evidently no panacea and other government efforts will have but modest results, it seems that as long as we have wide-spread unemployment, we shall not be able to do altogether without direct relief. That does not mean, however, that it should be given and administered as it was in the early days of the depression. You can observe everywhere in Europe, in the United States, in Canada and in this Province, the signs of a new relief policy; and it seems worthwhile to trace its origin and to forecast its possible results.

To start with: the underlying conception of relief has changed. We realize once more (our grandfathers a hundred years ago knew it very well) that it should be the chief aim of a sound relief policy, as of every system of public welfare, to help people to become independent of public assistance and to take care of themselves. We are no longer satisfied to protect unemployed and other needy people from starvation by providing them with food and clothing. We have learned that means must be devised to enable those who are fitted for it to be re-absorbed into the productive system.

Such a policy requires a clear delimitation between the unemployed who are capable of some sort of work and the unemployables. To make that distinction is not always an easy task. I remember a case of an oldish woman who was so quarrelsome that nobody would employ her and who had to be classified as unemployable, though she had not other mental or physical

defects. The European practice has been to make the unemployable an exclusive charge on the municipalities, who care for them under the provisions of the Poor Laws. I understand that the Premier of this Province speaking before you two years ago advocated a similar policy. I really cannot see what proper line of distinction can be drawn between the adult poor and adult unemployable, except that under present Dominion regulations the municipalities get for the latter class from the Dominion and Provinces a subvention amounting to two-thirds of the expenditure. In Nova Scotia the number of so-called unemployables on relief has become negligible, in striking contrast to other provinces. It may be that these provinces have shifted to the Dominion Treasury part of their poor relief burden. That has not been the case here. I know of some Nova Scotia municipalities who have refused to make application for relief grants, even in the case of employables, as they felt that the small group they had to care for could be easily supported under the provisions of the Poor Law. The Province has, through an amendment to the Election Act, made provision that those who receive outdoor relief under the Poor Relief Act are no longer disfranchised. In that way one of the most unpleasant distinctions between unemployment relief and poor relief has been removed. Some European countries have gone further still and disfranchise only those who have become paupers through their own fault such as drunkards, vagrants and similar groups.

I shall not speak longer about the unemployables, interesting though it would be. I shall rather discuss some of the new methods which progressive municipalities on both sides of the Atlantic have adopted in dealing with the employable. These methods all have in common the object of restoring the economic independence of those to be assisted. Loans to unemployed persons for productive purposes have proved to be successful. A man, for instance, will be granted a modest loan to start a small business, after careful examination of the case has shown that he has previous experience in that particular field, and that prospects are favourable. Farmers on relief in the western provinces of Canada have been given loans to extend their holdings in order to make them self-supporting. Unemployed who want to take up a job at some remote place are given a loan to buy a railway ticket. But we need not take our examples from outside. The Province of Nova Scotia has made a very fine start in that

field. A loan fund has been established for fishermen who have lost equipment through storms, to enable them to buy the necessary gear. It is hoped that the Dominion Government will contribute to this fund, as has been promised. Vegetable seeds have been provided through another provincial fund for the unemployed and other indigents in Amherst, Inverness and Louisdale. The purpose was to raise the standard of living and to occupy these people in useful work. The results have been rather encouraging; in some cases even a small surplus was made by the sale of vegetables. I know that there are some other projects of that sort, such as encouraging the cultivation of vegetables on a large scale in districts with suitable soil conditions and especially affected by unemployment.

Another constructive measure to cope with unemployment is the establishment of efficient employment exchanges. A start was made in this Province some years ago, but I am doubtful if the existing offices in Halifax, New Glasgow and Sydney are sufficient for a province of 500,000 inhabitants. In Great Britain employment exchanges are the backbone of the unemployment relief system. Nobody receives relief unless he registers at short intervals with the exchange and accepts the job offered to him by the exchange providing it is suitable. In this way malingers are quickly found out and disposed of. The employment exchanges have also been successful in reserving certain easy posts, like those of caretakers, janitors and night-guards, for those who are physically handicapped and would find it difficult to get employment otherwise.

There are better prospects still for a constructive relief policy dealing with young people. It is difficult to induce older people to take up a new occupation and often hard for them to do so, but it is easier to influence youth and to lead them by a way that will be to their advantage and to the advantage of the community. The youth problem is of primary importance for this Province. You will remember that there were in May of this year 700 boys and girls under 25 years who never had regular employment in their lives. What can be done for them? Labour camps have evidently not been a remedy. One of the chief objections against them was that young men of good character, who just happened to be without a job, were brought together with vagrants, tramps and other incorrigibles. No wonder that

results have not been very favourable. To replace the labour camps, the Honourable Norman Rogers and Mr. Purvis have recently proposed to introduce training centres for unemployed juveniles, such as have proved so successful in Great Britain. The object is to provide a training that will make unemployed young people efficient in their work and render it easier for them to find employment afterwards. I think it would be possible to adopt such a scheme to the special needs of this Province.

According to European experience it may also be expected that the introduction of unemployment insurance will ease the financial burden of municipalities. A great proportion of the number, but not, of course, the same persons, who are at present on relief will be taken care of by the insurance fund as soon as unemployment insurance has been operating for about two years. You know that the Employment and Social Insurance Act which was passed by the Canadian Parliament last year is at present before the Privy Council for decision as to its constitutional validity.

Let me end with a few words about the administration of relief. It is commonly agreed that it should be completely taken out of politics. For that reason the task is entrusted by many municipalities to an independent committee appointed by the rate-payers. Each member of the committee is responsible for the district in which he resides and with whose population he is familiar. I know that a similar system exists in many Nova Scotia municipalities for the administration of the Poor Relief Act.

Administration of relief, be it unemployment or poor relief, should be carried out in close co-operation with private charity or social service organizations. The combined efforts of the two will have the best chance of waging a successful battle against unemployment and poverty.