

A second step in the study was the identification of the most promising resource development opportunities and needs. A third step, which is now under way, is the selection of the most urgent projects and the preparation of plans and procedures so that action may be had at the appropriate time. Most of the projects will require the active collaboration of public and private agencies, each in its appropriate place. The projects thus represent regional rather than TVA projects narrowly construed.

In addition to its participation in research of a regional character, the TVA has conducted numerous studies more narrowly related to its own direct activities. In hydraulics, in construction methods, in building power loads through rate reductions, in various phases of public administration and labor-manage-

ment relations, in employee housing, and in a score of other subject fields, TVA has attached great importance to research. A regional agency, no less than a university, draws strength of purpose and inspiration from the studies it conducts. The usefulness of the TVA, its effectiveness as an operating agency, its position and part in the long-range development of the region are in no small measure dependent upon its research activities. This was recognized by Chairman David E. Lilienthal, in a recent statement:

The interest in the TVA the world over is largely based on a growing understanding and respect for research as the foundation for an improved standard of living and more democratic forms of administration, for TVA is built upon research.⁵

5. *Christian Century*, July 4, 1945, p. 786.

Research for Full Employment

By W. F. RYAN

THERE is now general agreement that a primary goal of government in the future will be the maintenance of full employment. It is also accepted that the achievement of this goal will involve a wide measure of economic planning. This does not, of course, mean that Canada is committed to a "planned economy;" there is a wide difference between an economy in which all major economic decisions are made by a central authority, and one in which general planning is conducted within the broad framework of the private enterprise system.

However, while the idea of planning has received substantial approval, it may be doubted whether there has been a commensurate appreciation of what is involved in terms of assembling adequate data on the basis of which to formulate policy. Realistic planning presupposes that all the relevant facts on which deci-

sions must be based are available to the planning agencies. Since planning for full employment involves framing policy in relation to every important segment of the national economy, it is clear that it will be necessary to collect and interpret a vast quantity of factual material covering all aspects of our economic life. A constant flow of precise and up-to-date statistics will have to be maintained concerning employment and unemployment, savings, capital expenditure, production, foreign trade, etc. It would also seem obvious that a central economic staff will have to be established to measure and analyze trends revealed by these data. Such an agency was recommended for Britain in their White Paper on Employment Policy.

This article is not, however, concerned with research and planning in this very broad sense. Its purpose is much more modest. It is only concerned with that part of the total picture which has to do with the manpower position or, for want of a better term, the "labour market."

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Even in this much more limited field, however, the treatment must of necessity be partial and sketchy.

Both in Britain and the United States there is an increasing realization of the vital importance of adequate statistical information in planning for full employment. The Murray Full Employment Bill, for example, would place on the President responsibility for estimating the probable size of the labour force a year in advance and the expected number of jobs available to absorb it. The British White Paper on Employment Policy lists first among the various classes of statistics necessary to the proper implementation of its proposals, "statistics of employment and unemployment, including quarterly or monthly statements of present and prospective employment in the major industries and areas in the country, based on returns from employers." At another point, it is stated that "surveys prepared by the Ministry of Labour will indicate the probable supply of labour over the coming period, the prospective changes in employment in the different industries, and the effect upon employment of Government projects designed to modify the volume of investment and expenditure." In the White Paper great stress is placed on the absolute necessity both for *current statistics* and for *statistical prediction*.

While it cannot be said that our economic problems are as great or complex as those of the United States or Britain, it is nevertheless true that they are far from being simple. The framing of full employment policy in Canada is undoubtedly the heaviest obligation yet assumed by government in this country. To carry it out, it will certainly be necessary for our planning agencies to have at their disposal much the same sort of information as that outlined in the British White Paper.

In the field of employment statistics, it would seem that our immediate requirements can only be met if the following types of information are provided:

1. Current statistics on the size and composition of the labour force.

2. Estimates of the probable supply of labour over fixed future periods.
3. Estimates of prospective employment during these periods.
4. Estimates of the effects on employment of different kinds of government expenditures.

Two questions naturally arise: (1) To what extent are statistics presently being collected adequate to meet these needs; (2) what measures should be undertaken to remedy existing deficiencies?

Current Labour Force

The Bureau of Statistics is initiating a sample survey to be conducted quarterly which will provide a regular measurement of the current labour force. These statistics will be particularly valuable in that it is hoped to supply information from them on a regional as well as a national basis. Statistics of this kind are vital for full employment planning. The urgent need for this survey may be illustrated by a brief consideration of the data which had hitherto been collected and on which planning agencies would have had to rely. These other sources, of course, still have their uses and will undoubtedly be continued.

The periodic estimate of Canada's manpower distribution prepared by the Labour Department has represented to date the only real attempt to present an over-all picture of the labour force. In this table an estimate is made of the number of persons in the armed services, in war and civilian industry and agriculture, and the total unemployed. As useful as this is, the fact that there is no breakdown by region or by industry group limits its value for purposes of planning. The Labour Department, which (with a few important exceptions) is not a statistical collection agency, must of course work within the limitations of the data available to it. With information presently being received, it is difficult to see how more detailed estimates could be made.

Statistics on the number of employees in non-agricultural industry are provided monthly by the Dominion Bureau of

Statistics. These statistics are compiled from returns received from firms with 15 or more employees. Break-downs are, of course, available by a detailed industry and regional classification. Indices are prepared which show employment trends over extended periods. During the war these statistics were of great value in formulating manpower and price control policy, etc. For purposes of full employment planning, however, they have certain serious defects: in the first place, coverage in certain industries, trade and the services for example, is low. Secondly, firms with 15 or more employees hardly constitute a representative sample from which generalizations concerning the total employment situation can be made. Thirdly, differences in classification of data between this survey and such important bench mark material as the annual census of industry and the Labour Department employment survey make it difficult to use the indices for purposes of projection. It would seem that, if this monthly survey is to meet future needs, a more representative sample will have to be worked out, and a uniform classification system established to be used in coding this and the basic, comprehensive surveys.

Very complete statistics on unemployment have been collected by the Department of Labour over the past three years in connection with its National Selective Service program. These statistics, compiled weekly, show the number of job applications registered with the employment service, and are classified in great detail both by the occupational skills of the applicants and by region. Combined with figures showing employers' orders for workers, classified by industry and region, they give a remarkably good picture of current labour supply and demand. Unfortunately for the future, these statistics have depended for their comprehensiveness on the rigid controls imposed on the hiring of labour during the war period. As these controls are relaxed, the figures on job applications and employers' orders will tend less and

less to reflect the real labour market situation.

The sources mentioned relative to statistical information on employment and unemployment are by no means all-inclusive. Other data is collected, but in most cases is of limited value either because it is out-of-date when compiled or is incomplete in coverage. For example, the annual census of industry (invaluable as a bench mark) which is conducted by the Bureau of Statistics takes a long time to compile, while statistics collected on unemployment insurance applications can be published very soon after the applications are actually registered, but are much too sketchy for planning purposes.

Prospective Labour Supply

So far as can be ascertained little detailed or comprehensive work has been done on estimating the prospective supply of labour over definite future periods. It is understood in general terms that the present labour force is greatly inflated, but the extent and character of the inflation is not known with precision. Broad statements have been made to the effect that 900,000 more jobs than were in existence in 1939 will be needed in the post-war to absorb the total labour force, etc., but much more than this is required. The survey of the post-war intentions of workers conducted by the Labour Department and based on a small sample drawn from the National Registration cards probably provided the basis for some generalizations as to the national situation. But the results of such a survey could hardly be used in connection with the preparation of such vital information as reasonable estimates of the anticipated labour force by economic regions.

Prospective Employment

In planning full employment, it is not enough to know how many persons are going to be on the labour market: it is just as important to know, at least in broad outline, what job opportunities will be available to them. The Post-War

Employment Survey undertaken some time ago by the Labour Department represents the only tangible effort thus far made to cover this phase of the situation. Unfortunately, however, it is not possible to gauge the effectiveness of this survey as its results have been clothed in official secrecy.

The importance of this kind of survey cannot be overstressed. It will be a continuing need in the future, for only by knowing of the employment plans and prospects of private industry can government formulate in advance policy necessary to compensate for gaps which may appear between the level of employment which private enterprise is prepared to provide and the total labour force. It would be unfortunate if the machinery set up and techniques developed to meet immediate post-war needs in this field were to be scrapped as soon as current pressure is relaxed.

Employment Content of Public Projects

In all of our post-war planning, it is taken for granted that government is going to undertake public projects, where necessary, to absorb unemployed persons who cannot be provided with jobs in private industry. In order that this "compensatory" spending may have its maximum effect, it will be necessary to have estimates of the "employment content" of the various types of project which the government may decide upon. Some studies of this kind have been completed as, for example, that of Dr. Firestone of the Reconstruction Department on the construction industry. But much remains to be done, particularly in relation to the different effects the same type of project would have in different parts of the country due to the varying extent to which income derived from such expenditures would be spent on goods and services produced within the respective regions.

It is apparent from this very brief survey that information presently being collected with respect to employment is not entirely adequate for purposes of full

employment planning. Much can be done to improve existing statistical sources by a more widespread use of modern statistical techniques. For example, the possibilities of sampling, the "Gallup Poll" technique, were until very recently virtually unexplored. It is encouraging to note that the Bureau of Statistics is now applying this technique to the measurement of the labour force. It should be clearly realized that broad over-all surveys which aim at complete coverage are too unwieldy for present day needs (except, of course, to provide bench mark data and periodic checks on the adequacy of samples). In this era of speed and precision, old methods and procedures will have to be scrapped in favour of new streamlined ones.

But if employment research and statistical information are to be really adequate, much more is necessary than to patch up existing sources. For example, it is not enough to know the size of the labour force; it is equally essential to have information on its occupational composition and regional distribution. Studies will have to be made and techniques developed for analyzing occupational abilities in order that job applicants may be placed with maximum efficiency. It is not sufficient to know the future employment plans of industry in terms of the nation as a whole: it is also necessary to know where the jobs are going to be and whether they are of the types needed to absorb the labour supply. The employment content of the different types of public projects must be studied regionally as well as nationally. Only if this sort of detailed information is available, can realistic planning be undertaken.

Regional Research Agencies

It is submitted that this detailed information can only be provided if the work of the central agencies is supplemented by studies carried out at the regional level. In other words *decentralization* of research is essential. This need is clearly recognized in the United States where regional and State planning and

research for reconstruction have been underway for some time. It has not, however, received adequate recognition in Canada.

The type of work which regional economic and statistical research agencies might carry out may be illustrated by a very brief consideration of what such agencies could have done (and in many cases might still do) in connection with reconstruction planning. During the last two years of the war a splendid opportunity existed to establish research agencies under the central direction of the Department of Munitions and Supply or Reconstruction to work in close cooperation with regional reconstruction committees. Although it is now rather late to begin such work, a good deal could still be done in this field, and small research agencies established at this time could serve as nuclei for permanent bureaus to assist in full employment planning in the future. In addition, it would be extremely useful to enlist the support of the universities in carrying out this type of study.

In formulating plans for reconversion and reconstruction, regional reconstruction committees (which have now been set up) should be provided with a great deal of factual information. At the very least, each committee should have reasonable estimates of the number of persons who will be coming on the labour market as a result of releases from the armed forces and cutbacks in war contracts; and on the other hand estimates should be provided of the probable job opportunities within the region to absorb these persons.

While complete information can probably be provided from Ottawa on discharges from the armed forces and labour displacement due to war production cutbacks, adequate data on such items as total employment in the primary and secondary industries and service trades, probable withdrawals from the labour force, the labour absorptive capacity of regional industry, and the employment content of public projects can only be obtained within the region.

On the basis of available data, it is impossible to estimate with any accuracy total current employment by industry within the provinces. Tabulations based on the Labour Department Employment Survey taken in January, 1944, contain the most recent over-all coverage of provincial employment. There are, however, no indices which can be used in estimating the present situation, projecting from these basic tabulations as a bench mark. Local agencies could very well undertake to supplement the data obtained monthly by the Bureau of Statistics in such a way as to provide reasonable estimates of the total current picture.

It is vitally important that regional planning agencies should have estimates of the absorptive capacity of local industries in terms of providing job opportunities in the reconstruction period. To estimate these capacities a wide variety of factors would have to be considered ranging from the possibilities of post-war markets to the internal technology of the industries concerned. In view of the complexity of making such estimates, the only realistic manner in which to approach the problem is detailed investigation at the local level. Regional agencies, through close personal contact with provincial manufacturers and primary producers, might prepare regional estimates which could be integrated at the national level. In view of the technical factors involved in making such predictions, studies conducted by unofficial organizations such as service clubs and boards of trade would hardly be sufficient.

The effectiveness of public spending in providing regional employment presents a special problem which might well be the subject of study at the provincial level. This would involve estimating the extent to which funds spent on various types of employment projects would be expended within the province, in addition to measuring their actual on-site employment content.

These are but a few illustrations of the useful research that could have been and might still be undertaken by regional

agencies acting under central direction. The field of employment and labour market research and statistics is practically unlimited. In this country the top soil has barely been turned. In this article the purely quantitative aspects were emphasized, but it would be unfortunate if the impression were left that labour market analysis can be conducted purely in terms of statistics. A great deal of qualitative investigation will be required.

In the United States, for instance, millions of dollars have been spent on their occupational research program alone; in Canada we only commenced research in this field under the pressure of war needs and then on a somewhat limited scale. We have a long way to go even to begin to match our American neighbours in labour market study. Now would seem to be a most opportune time greatly to intensify our efforts.

War and The Japanese in Canada

By F. E. LAVIOLETTE

AT the time that war broke over the Pacific Basin, there were as of June, 1941, 23,224 people of Japanese ancestry in the Dominion, according to the Dominion Bureau of Statistics. Of this number 17,278 were Canadian citizens, 22 were American citizens, and 5,924 were citizens of Japan. Although this is not a large number within a population of 11,500,000 persons, the concentration of the Japanese, about 21,000 of them, along the coastal strip of British Columbia and the fact that they are Orientals and representatives of an aggressive world power brought to a head the long standing fears, suspicions, and efforts to exclude them from that area of Canada.¹

In the early settling of the Pacific Coast, there was the possibility that Chinese and Japanese immigrants might eventually out-number the people of European ancestry. But legislation was passed from time to time so that the Chinese were stopped and controls placed over Japanese in order to limit their admissions to a maximum of 150 per year. This quota has not been filled since 1928 when Ottawa had completed negotia-

tions with the Imperial Government of Japan. Although these arrangements had been made, politicians of British Columbia have continued in one way or another to keep the issue before the public. As tension increased because of Japan's attitude in international cooperation and her policy of aggression on the Asiatic continent, demands for more stringent action, such as embargoes, boycotts, and exclusion, became more clamorous. Demands for evacuation became widespread after the declaration of war, indicating that people of the region were fearful that the Japanese in British Columbia, although most of them had lived there 30 to 50 years, would play the role of a fifth column, should Japan attempt an invasion of the North American continent.

To understand the development of attitudes in British Columbia after the outbreak of war, it should be recalled that immediately after the attack on Pearl Harbor, the Japanese launched the Malayan Campaign, the Philippine Islands attack, and the siege of Hong Kong. At first the people on the Coast were stunned by the outbreak of war and there was no apparent concern about the Japanese residents in their midst, but gradually the military implications of Japanese successes were becoming evident and anti-Japanese opinions organized. With the fall of Hong Kong on December 25, where Canadians lost 2,000

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1. For more detailed statements of evacuation see articles in the *Far Eastern Survey* for July 27, 1942, and May 31, 1944. It is also suggested that reference be made to Watson Thomson, "Beyond the Melting Pot," PUBLIC AFFAIRS, June, 1944.

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