A person, 10 years of age or over, enumerated by the Census is asked if he has a gainful occupation. All persons who answer "yes" are tabulated as gainfully occupied. In 1931 the number thus gainfully occupied was 3,927,230. These did not include such persons as female home workers, persons at school, etc. Many not so included might be occupied usefully and could be included in the broader class of "working population", but they were not occupied for direct financial gain. The family workers were considered gainfully occupied if assisting, without pay, in the business or other gainful occupation of the family head, but not if they were females assisting in the family house work. In addition, young persons who had never been gainfully occupied; persons retired from gainful occupations, whether through old age or sole dependence on income or charity; and persons in institutions, such as penitentiaries, were not included among the gainfully occupied.

The total of the gainfully occupied was then subdivided into four sub-classes. viz., (1) wage-earners, *i.e.*, those employed by an employer and paid certain amounts for their services; (2) employers, i.e., owners who employed labour (but not employed managers); (3) 'own accounts', i.e., persons who were gainfully occupied on their own, but did not employ labour; (4) unpaid family workers in the business of the head. Although these four classes seem clearly distinct, many cases of doubtful classification arise in practice, e.g., the unskilled labourer on odd jobs is included in the class of wage-earners; on the other hand, a plumber is a wage-earner when he is hired by a plumbing establishment, but he is on own account when, if not so hired, he pursues his trade independently. The equipment he uses and the skill he has acquired and probably certain conditions of licensing, registration, or living in a certain locality make him a business man even if he does not employ others. The same is true of the carpenter, etc. The doctor who puts up his shingle is on own account, but if he is on the paid staff of a hospital he is a wage-earner. Likewise with the lawyer, etc. The storekeeper who owns his own business is an own account or employer, but if he is merely the manager and paid for his services by the chain or corporation he is a wage-earner.

The term 'unemployed' can, in practice, be applied only to the sub-class known as wage-earners. Persons who have never worked but are seeking work, and persons on own account who have lost their business and are looking for jobs, are technically unemployed, but there is no way in which the numbers of such can be obtained and used without introducing elements of doubt and misleading features that would render the data meaningless. Similarly, the number on own account who have lost their business or occupation and are seeking another should be entered as a separate class. The term 'unemployed', then, is restricted to wage-earners and is always used in that sense in Bureau of Statistics figures. To illustrate the point by an example: on June 1, 1931, 470,000 wage-earners 10 years of age or over were not working, 437,000 of them because of no job or temporary lay-off. These latter were definitely unemployed on that day. On the same day, after making allowance for the majority of pupils and students attending school, there were 894,022 others over the age of 10 years, or 713,981 over the age of 10 and under the age of 70 (excluding married females and other female heads of families not gainfully occupied), who could not be regarded as wage-earners, including about 103,000 persons retired on income between these ages. These persons were not employed but they could not be said to belong among the unemployed. In any case they were not considered unemployed by the census. Much confusion has been caused by comparing this figure of unemployed (437,000) in 1931 with an estimate or opinion at a later date of a number of persons out of work for which the comparable census figure would be