

Employment by Industries.—Although the average yearly employment index (1926=100) for the eight leading industries in Canada declined from 175.1 in 1945 to 173.2 in 1946, the year-end picture was much more encouraging, the index in all industries showing marked advances at Dec. 1, over the same date in the preceding year. The dominant role now played by manufacturing in the Canadian economy is emphasized by the fact that the drop in employment in this industry was directly responsible for the over-all decline in the average yearly index for all industries. The averages for the remaining major industrial divisions showed appreciable gains over 1945.

Dec. 1, 1943, was the date when the employment index reached its peak. The following is a short synopsis of the employment situation from 1939-1946.

At Dec. 1, 1939, over 52 p.c. of all employees reported by co-operating establishments were engaged in manufacturing industries. With wartime expansion, this proportion increased to 63 p.c., the ratio indicated when recorded employment reached its highest level, at Dec. 1, 1943. At the same date in 1946, the ratio was almost back to its pre-war level, standing at 54 p.c. While employment in both the durable and non-durable manufactured goods sections declined, on the whole, during 1946 as compared with 1945, the recession was particularly marked in the former group, as the change-over from heavy war industries to a peacetime economy continued. Employment in the production of both classes of goods was adversely affected during 1946 by important strikes, those in the lumber, iron and steel, and electrical apparatus industries causing particularly heavy losses. As in the case of most of the non-manufacturing industries, employment in the heavy and the light manufactured goods industries at Dec. 1, was well above the level of a year earlier.

Employment in logging, which had been hard hit by a shortage of workers during the war years, was once more on the ascent to meet the heavy demands for lumber and pulp and paper products. The index for December 1, 1946, was higher than at the same date in any other year since 1937.

Expansion in many branches of mining had also been retarded during the war years, the industry in certain areas having had low priority in obtaining labour. This is the only industry for which the index was lower at Dec. 1, 1946, than at the same period in 1939. At the same time, while 7 p.c. of all persons in recorded employment were so engaged in 1939, only 4 p.c. of the total employees reported in the eight leading industries in 1946, were classed in mining.

Although the trend of employment in the transportation and communications industries was upward in 1946, the gain was most marked in the latter, the index rising from 126.7 at Dec. 1, 1945, to 154.7 at the same date in 1946. Employment in both these industrial divisions was well above that reported in 1943. The trend in the service industries followed a similar pattern, the index in that group being 226.8 at Dec. 1, 1946, compared with 197.4 at the same date in 1943.

Construction, the post-war shock absorber, has been seriously curbed by the shortage of material. In spite of this fact, the co-operating contractors employed an average of 166,014 persons in 1946, compared with 139,756 in the preceding year. At December 1, of the year under review, the index was higher than at the same date for any year since wartime construction was at its peak in 1942; it was also well above its 1939 level.