

Section 2.—The Labour Force*

The current pace of economic activity in Canada necessitates constant planning and study. To the labour leader, the business man, the social administrator and the legislator, this pace requires a continuous process of plan-revision. To provide up-to-date and reliable information concerning the Canadian labour force, a current and periodic analysis of the state of employment in Canada was organized. A labour force survey, on a sample basis, was conducted in the autumn of 1945 and quarterly surveys were carried on until November 1952, when the survey was placed on a monthly basis. A multi-stage area sample was used involving the selection of progressively smaller sample areas and ultimately of households. Random methods of choice were used at every stage of selection so that all members of the population had an equal chance of inclusion. The present sample covers over 35,000 households in more than 160 different areas of Canada. The estimates of the labour force are restricted to the civilian labour force; net strength of the Armed Forces is obtainable directly from official sources. Inmates of institutions and Indians living on reserves are excluded.

The labour force surveys provide a classification of persons 14 years of age or over on the basis of their activity during the week preceding the beginning of interviewing for the survey. The main divisions of the population are defined as follows:—

Labour Force.—The civilian labour force is composed of that portion of the civilian non-institutional population 14 years of age or over who, during the survey week, were employed or unemployed.

Employed.—The employed include all persons who, during the survey week: (a) did any work for pay or profit; (b) did any work which contributed to the running of a farm or business operated by a related member of the household; or (c) had a job but were not at work because of bad weather, illness, industrial dispute, or vacation, or because they were taking time off for other reasons. Persons who had jobs but did not work during the survey week and who also looked for work are included in the unemployed as persons without work and seeking work.

Unemployed.—The unemployed include all persons who, through the survey week: (a) were without work and seeking work, i.e., did no work during the survey week and were looking for work; or would have been looking for work except that they were temporarily ill, were on indefinite or prolonged layoff, or believed no suitable work was available in the community; or (b) were temporarily laid off for the full week, i.e., were waiting to be called back to a job from which they had been laid off for less than 30 days.

Not in the Labour Force.—Those not in the labour force include all civilians 14 years of age or over (exclusive of institutional population) who are not classified as employed or unemployed. This category includes those going to school, keeping house, too old or otherwise unable to work, and voluntarily idle or retired. Housewives, students and others who worked part-time are classified as employed. If they looked for work they are classified as unemployed.

The estimates derived from the labour force surveys are subject to sampling error. In general, the percentage of error tends to decrease as the size of the estimate increases. The chances are about 19 out of 20 that the difference between the estimate and the figure which would have been obtained from a complete count is less than shown below.

<u>Size of Estimate</u>	<u>Sampling Variability</u>
50,000	8,000
100,000	11,000
500,000	24,000
1,000,000	33,000
5,000,000	58,000

* Prepared in the Special Surveys Division, Dominion Bureau of Statistics.