

SEASONAL UNEMPLOYMENT IN CANADA*

The Canadian economy has long been plagued by the problem of seasonal unemployment, a problem which has recently been receiving serious and increasing attention from governments, industry and labour. Basically, seasonal unemployment in Canada is caused by the climatic conditions of the country though its extent is accentuated by habits of employers and consumers that have become part of the production and marketing picture. Thus it is a natural result of a natural condition which cannot be changed or eradicated but must be dealt with by a concerted effort to devise ways and means of alleviating its effects on both the industries concerned and the workers laid off.

There are of course other types of unemployment. Mass unemployment, such as occurred in the 1930's, may result directly from a lowering of the general level of economic activity in the country. On the other hand there are always people changing jobs and the brief periods of idleness usually involved in such changes are termed "frictional unemployment". The distinguishing mark of seasonal unemployment is its regular recurrence. In Canada many businesses reduce their activities in the winter months or close down altogether because of the cold weather, the ice and the snow. As a result unemployment, usually at a minimum in September, rises sharply to a peak during the winter. For example during the winter of 1954-55 the number of persons without jobs and seeking work reached a peak of 401,000 at Mar. 1 but by July 1 the total had dropped to 150,000. This pattern is repeated to varying degrees each year, as is shown in the Chart opposite.

The extent of seasonal unemployment is, in part, dependent upon the general level of economic activity. During World War II when there was a shortage of manpower the volume of seasonal unemployment was small but, as demand pressures on the economy gradually eased, that volume increased steadily. Also the number of persons employed in the country's seasonal industries has grown year by year in the postwar period so that seasonal unemployment has become a progressively more serious social problem in Canada. This is pointedly illustrated by the fact that there was a significant increase in the volume of seasonal unemployment during the winters of 1953-54 and 1954-55 when the general level of economic activity moderated. It should be remembered moreover that seasonal unemployment, like other types of unemployment, may set up a chain reaction and create still more unemployment. Unemployed persons tend to restrict their consumption which in turn restricts sales and finally affects production and employment.

TYPES AND EFFECTS OF SEASONAL UNEMPLOYMENT

There are two definite types of seasonal unemployment, both of which stem from weather conditions. The most readily recognized type results from the direct effects of climate on the production process. It is obvious that it is either impossible or very difficult to conduct certain production operations in certain seasons. Canadian farmers for instance cannot with the best will in the world plant wheat in February. Ice makes inland navigation impracticable in winter and cold weather causes difficulty for the salt water fisherman. The canning industry must obviously operate largely in the summer and autumn when fruits and vegetables are harvested. On the other hand logging in eastern Canada is an autumn and winter industry since the frost and snow makes transportation in the woods easier and the spring thaw is depended upon to provide high water for the log drives.

The other type of seasonal unemployment occurs in industries in which marketing rather than production is affected by the climate or by the time of year. Because of the buying habits of Canadian consumers retail trade reaches its annual peak from October

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