

## The Origins of the Employment Service of Canada, 1900-1920

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## *The Origins of the Employment Service of Canada, 1900-1920*

Udo Sautter

THERE IS A growing interest in the evolution of the welfare state. Why did, and do, governments attempt to influence the working of social forces? Satisfactory answers to this question may go a long way to increase our understanding of the nature of industrialized society. While the problem as such obviously transcends national boundaries, it is equally clear that answers must first be sought within the confines of individual states, as specific social conditions and prevailing political philosophies are necessarily important factors in determining the course and speed of the implementation of social policies. Research into Canadian developments is still spotty, although there is evidence of considerable interest and a growing awareness of the task at hand.<sup>1</sup>

<sup>1</sup> The boundaries of the field are surveyed by Robert Brenner, "The State of Social Welfare History," in Herbert J. Bass, ed., *The State of American History* (Chicago 1970), 89-98. The newest assessment of the American experience is James Leiby, *A History of Social Welfare and Social Work in the United States* (New York 1978). Insight into research in Britain can be gained from J.R. Hay, *The Origins of the Liberal Welfare Reforms* (London 1975), and from his "Employers and Social Policy in Britain: The Evaluation of Welfare Legislation, 1905-14," *Social History*, 4 (1977), 435-55. Helpful for an understanding of the state of investigation are the various articles in *Journal of Canadian Studies* 14, 1 (Spring 1979); see particularly Elwood Jones, "Dependency and Social Welfare," *ibid.*, 1-2; 123-4.

One government activity whose origins have hitherto largely escaped attention is the distribution of manpower. Public labour exchanges were advocated by many before World War I as a measure to reduce unemployment and its hardships. After the creation of the *Employment Service of Canada*, the welfare aspect of its activity was underlined by the use the government repeatedly made of it when charging it with the administration of relief services.<sup>2</sup> It would be rather inadequate, however, to see in the establishment of this government agency solely a humanitarian response to the needs of jobless individuals. There were more powerful motivations at work. This article contends that the Service came into being mainly as a result of the quest for a more efficient use of manpower and ultimately as a means to prevent potential, and to fight real, public unrest.

It has to be borne in mind that Canadian governmental involvement in the manpower market dates back at least to the mid-nineteenth century, when the task of populating the country was understood to be an urgent necessity. The immigration agents of the time were certainly the most important precursors of the Service mentioned; in comparison, the flimsy provincial networks which Ontario and Quebec created before 1914 were insignificant ventures. However, it took the pressures of war to bring about comprehensive measures, and even then they were not quick in coming. Thus it was only during the last year of hostilities that the passage of the *Employment Agencies Coordination Act* signalled the intention of government permanently to be active in the field of manpower distribution.

The first public employment agents in Canada were members of the provincial and federal immigration services. The distribution function was only one of several tasks they had to fulfill, but it remained a constant preoccupation of many of the agents well into the twentieth century. They predominantly distributed agriculture-oriented immigrants, although the records show that this restriction was never rigidly adhered to. A legal basis for the distribution

<sup>2</sup> The literature on the origins of the *Employment Service of Canada* is sparse. The most extensive study, though neglecting the early precursors and somewhat differing in its conclusions from the present article, is Delbert Terrence Haylock, "The Historical Tradition Behind the Establishment of the 'Employment Service of Canada,' 1896-1919," MA thesis, Dalhousie University, 1971. Older summaries are Research Staff of Industrial Relations Counselors, Inc., "Administration of the Public Employment Service in Canada," in *Industrial Relations Counselors Incorporated, Administration of Public Employment Offices and Unemployment Insurance* (New York 1935), 20-8; Annabel M. Stewart and Bryce M. Stewart, *Statistical Procedure of Public Employment Offices. An Analysis of Practice in Various Countries etc.* (New York 1933), 155-7; Bryce M. Stewart, *The Employment Service of Canada* (Kingston 1919). See also his "Unemployment and Organization of the Labour Market," *American Academy of Political and Social Science, Annals*, 107 (1923), 286-93; and James Struthers, "Prelude to Depression: The Federal Government and Unemployment, 1918-29," *Canadian Historical Review* 58 (1977), 276-93. See Canada, Dept. of Labour, *Report for . . . 1920*, 102; 1921, 96-7; 1931, 94-7; 1932, 86-7; 1933, 44-5; 1934, 44; 1935, 51; 1936, 64; 1937, 61; 1938, 61; 1939, 56; 1940, 55.

activity was created in 1852, when the United Provinces' Bureau of Agriculture received authority to "institute inquiries and collect useful facts and statistics relating to the Agricultural interests of the Province, and to adopt measures for disseminating or publishing the same [in order] to encourage immigration from other countries. . . ." In 1857 this provision was enlarged in the face of nascent industrialization, to include "the Agricultural, Mechanical and Manufacturing interests." The Ministry and its agents considered it within their duties to act as employment exchanges. Thus in 1857, the Minister of Agriculture started a practice of sending circulars to the reeves and municipalities of the Province, asking for detailed information concerning the labour needs of their districts. The answers were compiled in the ministry and sent to Emigration Commissioners, shipping agents, and other interested parties in England in order to enable them to direct prospects to given places.<sup>3</sup> The agencies in Canada were acting as clearance offices for the labour demands in their regions,<sup>4</sup> by filling open positions and even by actively endeavouring to find work for new arrivals.<sup>5</sup> It is impossible to give any approximate figures as to the extent of this service. Venturing some extrapolation from available information, it appears that the emigration agents in the province acted as employment agents for at least several thousand immigrant job seekers each year. A similar service, if numerically on a smaller scale, was provided in New Brunswick, where the Immigrant Agency at Saint John was under special instructions by an 1856 Order-in-Council to obtain employment for the immigrants. Nova Scotia also was active in this respect.<sup>6</sup>

Confederation brought some constitutional ambiguity as to the right, or rather duty, to render immigration aid, but this was resolved in a series of Dominion-Provincial conferences on the subject between 1868 and 1874.<sup>7</sup> It was agreed that the Dominion government "maintain and defray the expenses of Immigration Offices" at some major places, and that "the several Provinces on their part shall establish an efficient system of Emigrant Agency [sic] within their respective Territories."<sup>8</sup> In 1871, Manitoba and British Columbia, as well

<sup>3</sup> Province of Canada, *Statutes*, 16 Vict. (1852), c. 11, s. VI; *ibid.*, 20 Vict. (1857), c. 32, s. VI; Province of Canada, Minister of Agriculture, *Annual Report for 1856* (Legislative Assembly, *Journals*, 1857, Appendix no. 54), n. p.

<sup>4</sup> See the reports of the various sub-agents to the Chief Emigration Agent during these years, as e.g. in *ibid.*, *Report for 1863* (*Sess. Papers*, 1864, no. 32, Appendices 1-5), n. p.

<sup>5</sup> Province of Canada, Chief Emigration Agent, *Report for 1858* (Legislative Assembly, *Journals*, 1859, Appendix no. 19), n. p.

<sup>6</sup> Canada, House of Commons (Commons), Standing Committee on Immigration and Colonization, *First Report 1868* (*Journals*, 1867-68, Appendix 8), n. p.

<sup>7</sup> Canada, Dept. of the Interior, *Annual Report for 1892* (*Sess. Papers*, 1893, no. 13), xi-xii.

<sup>8</sup> Commons, Standing Committee on Immigration and Colonization, *Second Report* (*Journals*, 1869, Appendix no. 7), 4.

as Nova Scotia, joined the agreement.<sup>9</sup> The opening of the prairies caused a shift of the Dominion government's employment work to this region. The first agency began to function in Winnipeg in 1871,<sup>10</sup> and others soon followed. Jurisdictional overlapping between the Departments of Agriculture and of the Interior led in 1892 to the abolition of all Immigration Agencies in Manitoba and the northwest, and to the transfer of their functions to the Lands Agents who reported to the Department of the Interior. At the same time the Dominion closed all other Immigration Agencies, with the exception of those situated at the Atlantic coast, leaving it to the provinces to assume their tasks.<sup>11</sup> The Dominion Lands Agents in the prairies, though, more or less continued the employment exchange work of their predecessors. By far the busiest place, of course, was Winnipeg. W.F. McCreary, the new Commissioner of Immigration, in 1897 felt it to be "of the utmost importance [to] inaugurate and carry into effect a proper system for the employment of men and women desiring work, as well as to ascertain the names of those farmers who require help."<sup>12</sup> The numbers rose steadily, until in 1913-14 an all-time high was reached with the placement of 15,837 workers by the western agencies, which nevertheless therewith could not come close to filling the 23,932 positions open.<sup>13</sup> Meanwhile the federal government had had second thoughts about the closing of the Immigration Agencies effected in 1892. The growing immigrant numbers prompted it to reopen offices in British Columbia and the eastern provinces between 1905 and 1914,<sup>14</sup> and the partial function of these agencies was again to satisfy local labour demands and find employment for job seekers.<sup>15</sup> Employment exchange work was not restricted to the immigrant officers alone. The colonization agents, on occasion the only representatives of the Depart-

<sup>9</sup> Canada, Minister of Agriculture, *Report for 1871* (*Sess. Papers*, 1872, no. 2A), 12.

<sup>10</sup> Canada, Minister of Agriculture, *Report for 1871*, 11.

<sup>11</sup> Canada, Dept. of the Interior, *Annual Report for 1892*, xii-xiii.

<sup>12</sup> Cf. *ibid.*, 1893 (*Sess. Papers*, 1894, no. 13), Part III, 133; *ibid.*, 1897 (*Sess. Papers*, 1898, no. 13), Part IV, 167.

<sup>13</sup> Canada, Dept. of the Interior, *Annual Report for 1914* (*Sess. Papers*, 1915, no. 25), Part II, 142. These figures do not include the handling of harvest help in which the Dominion agencies participated during several years by co-operating with some railroad lines. For more detailed information on this see John Herd Thompson, "Bringing in the Sheaves: The Harvest Excursionists, 1890-1929," *Canadian Historical Review* 59, 4 (Dec. 1978), 467-99, in particular 470 ff. and W.J.C. Cherwinaki, "The Incredible Harvest Excursion of 1908," *Labour/Le Travailleur*, 5 (1980), 58-79.

<sup>14</sup> Canada, Auditor General, *Report for 1905* (*Sess. Papers*, 1906, no. 1), pp. L-13 to L-19, and subsequent *Reports*. The legal basis for establishing agencies by Order in Council was provided by the Immigration Act of 1906. See Canada, *Statutes*, 6 Edw. VII (1906), c. 19, s. 4.

<sup>15</sup> Ontario Commission on Unemployment (henceforth OCU), *Report* (1916), 114. The two agencies mentioned there (Fort William and Port Arthur) were part of the system in the west. See Canada, Auditor General, *Report for 1912* (*Sess. Papers*, 1913, no. 1), J-40 and J-41.

ment of the Interior in a given region, often enough engaged in similar activities.<sup>16</sup>

Early in the new century the Dominion government did not only re-establish agencies outside the prairies, but in 1907 it saw fit, "because of the extraordinary demand in recent years for farm help in the province of Ontario, and in order to assist as far as possible in meeting this demand," to introduce an extended and somewhat novel system. Cost having been the decisive consideration in closing the agencies in 1892, there was now to be a network of agents working solely on a commission basis, at \$2.00 per placement. In February 1907 upwards of 180 such agents were appointed who were to secure in their localities, free of charge, situations for immigrants as farm helpers or domestic servants. Booking agents throughout the United Kingdom were asked for co-operation. This service seems to have worked reasonably well for some years. During the fiscal year of 1907-08 about 7,000 farm hands were placed in employment. In the long run, however, the efficiency of the system became doubtful. Thus the Ontario Commission on Unemployment felt justified to state that a good part of those agents had done practically nothing, as the active ones — out of a total of 163 in Ontario — had found positions for only 3,586 workers in 1913 and for 2,136 in the depression year of 1914.<sup>17</sup>

The Dominion's concern for numerous immigrants was shared by the individual provinces. All of them, with the exception of Prince Edward Island, sooner or later established immigration services to allure and then distribute newcomers. Ontario and Quebec practically carried the pre-Confederation activities over into the following decades. The last province to follow suit was Alberta, which in 1911 established offices at Winnipeg, Toronto, and Montreal, the latter two lasting only a year.<sup>18</sup>

<sup>16</sup> For some exemplary statements see the reports of the colonization agents in Listowel and Gore Bay (Northern Ontario). Canada, Dept. of the Interior, *Annual Report for 1914* (*Sess. Papers*, 1915, no. 25), Part II, 159-60.

<sup>17</sup> Canada, Dept. of the Interior, *Annual Report for 1906-1907* (*Sess. Papers*, 1908, no. 25), Part II, 61; *Labour Gazette*, March 1907, 1011-2; Canada, Dept. of the Interior, *Annual Report for 1908* (*Sess. Papers*, no. 25, 1909), Part II, 61. The Quebec agents were located in the Eastern Townships. See Bryce M. Stewart, "Unemployment and Organization of the Labour Market," 290. It is interesting to note that at about the same time the Dominion government was beginning to feel pressure from industrial circles. Thus in July 1904 the CMA presented the Department of Labour with a detailed list specifying the skilled labour requirements of its members. *Labour Gazette*, August 1904, 180; OCU, *Report*, 114-5.

<sup>18</sup> The distribution function was a natural corollary of the service. See e.g. Nova Scotia, Secretary of Industries and Immigration, *Report for 1910* (House of Assembly, *Journals and Proceedings*, 1911, Part II, Appendix 22), 4; New Brunswick, Superintendent of Immigration, *Report for 1909* (Legislative Assembly, *Journals*, 1910, Suppl. Appendix), 243, 247-8. The inception dates of the other services are: British Columbia 1883; Manitoba 1886; Saskatchewan 1905; Nova Scotia 1907; New Brunswick 1908. Cf. the Public Accounts and the Statutes of the various provinces; Alberta, Dept. of Agriculture, *Annual Report for 1912*, 233; *ibid.*, for 1913, 205.

Aiding agriculture was, of course, still the prime objective.<sup>19</sup> But many of the sources quoted indicate that "mechanics" or artisans and general labour were also handled when there were openings for them. The immigration services, furthermore, did not concentrate their endeavours narrowly upon recent immigrants.<sup>20</sup> All of the western provinces had at one time or another — in addition to whatever offices they entertained abroad — recruiting representatives in other Canadian provinces. These agencies rather indiscriminately lured whomever they found willing and suitable for their purpose, which was mainly the securing of harvest help.<sup>21</sup> (Later on, during the war, the distinction between immigrants and other job seekers was dropped altogether; by that time the competition between the provinces was growing so fierce that it had to be stopped by an interprovincial agreement in 1918.)<sup>22</sup>

In reviewing these facts, one feels justified to conclude that Canadian governmental activity in the manpower field was quite substantial before World War I. The motivations which led to these efforts are worth bearing in mind. Throughout the period they doubtless originated in the conviction that "the commercial and industrial development of the country depended upon a large population and a growing market."<sup>23</sup> The authorities obviously assumed that

<sup>19</sup> See C. Sifton's statement in the House in 1902 (*Commons, Debates*, 17 April 1902, 2991). As for railroad workers, the federal government "tended to see the recruitment of foreign labourers to work on railroad construction as an aspect of the settlement process," and it accommodated the railroad companies by not being too rigid in the application of its rules. Donald Howard Avery, "Canadian Immigration Policy and the Alien Question, 1896-1919: The Anglo-Canadian Perspective," Ph.D. thesis, University of Western Ontario, 1973, 198, 213-8. Another episodic activity of the federal government in the labour market may be mentioned in passing. The *Labour Gazette* began in August 1906 to offer its columns to employers and job-seekers — or their organizations — the purpose "being solely that of making better known the demand and supply of labour." *Ibid.*, 176-7. Until June 1908, announcements of free positions in various industries, both for skilled and unskilled workers, appeared irregularly before the practice was abandoned. In January 1910 an article expressed the intention of resuming the announcements (819-20), but nothing more was forthcoming. It is interesting to note the reason given for the undertaking in 1906-07, namely the fact that "industrial activity was very pronounced throughout Canada;" in 1910, in the same way, the practice was to start again because of the "current conditions," i.e. a pronounced scarcity of labour. It was obviously the interest of the employers which prompted the *Labour Gazette's* venture.

<sup>20</sup> The status of "immigrant" generally lasted three years. Canada, *Statutes*, 9-10 Edw. VII (1910), c. 27, s. 24; 2g.

<sup>21</sup> See for this the various Public Accounts and the Reports of the immigration services of the provinces of Manitoba, Saskatchewan, and Alberta. For a different activity involving many hundred of jobseekers see the Reports of the Immigration Agents at Victoria and New Westminster (British Columbia, *Sess. Papers*, 1883-4), 301; 297.

<sup>22</sup> *Labour Gazette*, March 1915, 1065; Saskatchewan, Dept. of Agriculture, *14th Annual Report*, 1919, 30-1.

<sup>23</sup> Norman Macdonald, *Canada. Immigration and Colonization 1841-1903* (Aberdeen 1966), 30.

private initiative alone would not be sufficient to distribute the available labour economically enough to meet this goal. Thus decades before the war, government intervened in the labour market in order to promote efficiency.

Government, however, could have felt compelled to play a role in manpower distribution for still another reason. Not only was the task of finding an adequate labour supply becoming too difficult for many an employer, but similarly the job-seeking individual had to fend for himself in an anonymous market whose dominating forces he was ill-put to understand and with whose intricacies he often was not able to cope.<sup>24</sup> Public awareness of the potential, and often actual, helplessness of this individual grew over the decades and was naturally keenest during periods of depression, in the 1880s and 1890s, in 1908 and particularly in 1913-14 when unemployment caused more distress than usual. Opinions as to possible or necessary remedies, however, were very much at variance with each other, and no clear consensus emerged before the outbreak of the war. As a consequence, governmental action in this respect consisted mainly in regulatory efforts, supplemented only by some rather tentative and insignificant further measures.

The idea that public employment offices could be of substantial help in solving major problems of the manpower market was much talked about in North America by the late nineteenth century. Not only could these agencies find jobs for the unemployed, but their existence could also serve as a check upon the notoriously fraudulent practices of the private establishments, and they could be instrumental in the better utilization of the manpower available.<sup>25</sup> Persuaded by such arguments and imitating European examples, the state of Ohio opened a public office in 1890 and additional ones in the following years. Several fellow states soon did the same.<sup>26</sup> Canadian observers watched this development attentively, if not in all instances approvingly. A good example of the ambivalence of Canadian attitudes was offered by the changing mood of the trade unions, in the main representative of skilled labour. At its 1889 convention the Trades and Labour Congress of Canada resolved "that the government establish offices where the working men out of employment could go and enquire to obtain employment;" similarly in his official address at the 1897 convention the Congress's president recommended the establishment by the

<sup>24</sup> For the growth of this insight see the chapter "The Discovery of Unemployment," in John A. Garraty, *Unemployment in History. Economic Thought and Public Policy* (New York 1978), 103-28. For Canada specifically Elisabeth Wallace, "The Origins of the Social Welfare State in Canada, 1867-1900," *Canadian Journal of Economics and Political Science*, 16 (1950), 387.

<sup>25</sup> J.E. Conner, "Free Public Employment Offices in the United States," *U.S. Bureau of Labor Bulletin*, 68 (Jan. 1907), 4-5. For similar views in Canada see Report of the Executive Committee of the Province of Quebec, in Trades and Labor Congress of Canada (henceforth TLC), 26th Annual Convention (1910), *Proceedings*, 26; and OCU, *Report*, 41-2.

<sup>26</sup> By 1905 fifteen states had 37 offices between them. J.E. Conner, "Free Public Employment Offices' . . ." 3. For the origins of the Ohio offices see *ibid.*, 57-8.



Dominion government of a system of free employment bureaux.<sup>27</sup> But in 1907, when the Province of Ontario had opened a few offices, the Congress's provincial Executive Committee declared itself "not in a position to state whether they are a benefit or a detriment to organized labor." In 1910 a similar opinion was expressed. Accordingly, the "Platform of Principles," a kind of social program published in 1912, did not contain any reference to the idea. The reasons for this hesitation came clearly to the fore in the struggle against a British plan for an Imperial network of labour exchanges. The Executive of the Trades and Labour Congress could see therein nothing but "an aid to the Strike-breaking establishments of this Continent to help defeat the legitimate claims of the workers for consideration as to wages, hours and conditions." It was this fear of a deterioration of labour's bargaining position which caused the growing aversion to any employment bureau system beyond the municipal level. Accordingly the Congress saw reason to congratulate itself in 1911 that Sir Wilfrid Laurier had destroyed the Imperial scheme at the Colonial Conference of that year. In 1914, it declared itself "emphatically" opposed to the establishment of Provincial Labour Exchanges," a view which it reconfirmed a year later.<sup>28</sup>

Not all members of the Congress, however, held the same opinion as the majority. The Quebec branch, which had to deal with conditions in Montreal and experiences such as the Cordasco case,<sup>29</sup> put consistent pressure on its provincial government. It finally was rewarded when the first provincial bureaux in the Dominion worthy of note were established in its province. The prairie branches, and belatedly the New Brunswick branch, attempted the same, if with less success.<sup>30</sup> The other big labour organization of the country, the Canadian Federation of Labour (CFL), for its part remained silent upon the issue for many years. It was only under the impact of the depression of 1913-14 that it finally spoke out "for the establishment of a system of free employment bureaux."<sup>31</sup>

<sup>27</sup> As quoted in *Industrial Relations Counselors, Inc., "Administration of Public Employment Service in Canada,"* 20.

<sup>28</sup> TLC, 23rd Annual Convention (1907), *Proceedings*, 15; TLC, 26th Annual Convention, *Proceedings*, 43; TLC, 28th Annual Convention (1912), *Proceedings*, following 12; TLC, 26th Annual Convention, *Proceedings*, 14; TLC, 27th Annual Convention (1911), *Proceedings*, 15-8; TLC, 30th Annual Convention (1914), *Proceedings*, 119-20; TLC, 31st Annual Convention (1915), *Proceedings*, 102; 105.

<sup>29</sup> See Royal Commission Appointed to Inquire Into the Immigration of Italian Labourers to Montreal and the Alleged Fraudulent Practices of Employment Agencies, *Report and Evidence* (Canada, *Sess. Papers*, 1905, no. 36b). This has been used in Robert F. Harney, "Montreal's King of Italian Labour: A Case Study of Padronism," *Labour/Le Travailleur* 4 (1979), 57-84. A summary of the case is provided in *Labour Gazette*, June 1905, 1347-54. Cordasco's operation started during the 1901 CPR strike, when he began to procure strike-breakers from Italy.

<sup>30</sup> TLC, 27th Annual Convention, *Proceedings*, 22, 26-7; 28th Annual Convention, *Proceedings*, 29, 32-3; 30th Annual Convention, *Proceedings*, 37, 39.

<sup>31</sup> *Labour Gazette*, October 1914, 490.

If organized labour's opinion was divided, leading business circles were equally unsure what stand to take. The Canadian Manufacturers' Association (CMA), on the occasion of the passage of the 1909 British Labour Exchanges Act, seized the opportunity to spell out its philosophy: "In England, they are experimenting, experimenting with old age pensions, with taxes on increments to land values [or] labor exchanges. . . . Here we are not faced with the same difficulties. It would be a monstrous thing if we were, with our new country and boundless resources all within reach of the man who is willing to work."<sup>22</sup> While this statement did not sound like an endorsement of public labour agencies, the adoption of an Employment Bureaux Act in Quebec in 1910, on the other hand, was met by the CMA's Executive Council with attentive caution. The Council welcomed at least one aspect of it, namely the supervision of the private agencies. As for the provincial bureaux, it only noted their creation.<sup>23</sup>

These ambiguous attitudes were a reflection of the economic and social climate of the Laurier age. The employer may still have felt dedicated in principle to *laissez faire* as expressed in the above quotation. Canadian manufacturers, however, proved on other occasions during these years that they were not unnecessarily dogmatic if their advantage dictated otherwise. One case in point was their fight for public ownership of utilities, the goal in this instance being cheap hydro power. As for the employment market, their overriding concern was the availability of a large pool of labour. The control of private agencies could eliminate waste and therefore was seen as desirable. To ensure good labour supply, the CMA even ran an immigration agency in the United Kingdom for some time, and it probably would have accepted most government actions serving the same purpose.<sup>24</sup> The fact, however, that many of the demands for the establishment of public agencies came from organized labour must have rendered this particular idea somewhat suspicious. Those trade unions which advocated public bureaux not only did so in order to curb the abuses the workers had to endure from the private agents, but they often enough harboured the vague hope that such agencies could make jobs more readily available. It is noteworthy that the strongest union pressure was applied in Quebec. The working class in Montreal was worse off than that in Toronto, and it was probably no accident that Quebec's employment office venture was

<sup>22</sup> *Industrial Canada*, June 1909, 939.

<sup>23</sup> CMA, *Executive Council Proceedings*, April 1910, 7. See also *ibid.*, May 1910, 6; June 1910, 7; Feb. 1911, 6. A somewhat favourable comment appears in *Industrial Canada*, May 1911, 1052, where bureaux are seen as a possible "solution [to] the unemployment problem."

<sup>24</sup> The CMA's "British Office" operated in 1907-08. See CMA Executive Council (minutes), *Industrial Canada* 7 (January 1907), 548-9; *ibid.*, 8 (February 1908), 598-9. The CMA actually pressed the federal government on many occasions to increase immigration, especially of skilled workers. See the report of its Parliamentary Committee, *Industrial Canada* 5:3 (Oct. 1904), 151-2; Executive Council (minutes), *ibid.*, 6:11 (June 1906), 846. See also CMA, *Executive Council Proceedings*, Jan. 1910, 7.

the most substantial provincial effort in this field before the war.<sup>35</sup>

Public employment agencies, therefore, could be viewed from different angles, and in the Dominion at large government initiative of a substantial nature was not yet believed to be an urgent necessity. People who advocated such an intervention, as did one Miss E. St. John Wileman, an Englishwoman who roamed the Canadian countryside as a self-appointed propagandist for public employment offices, thus could not really hope yet for more than token official response.<sup>36</sup>

This is not to say that Canadian governments were not aware of the problems posed by the private bureaux, particularly the abuses the latter indulged in and the insufficiencies of their organization and scope. The frequent and extensive reporting in the *Labour Gazette* upon court cases as well as upon the functioning of foreign public services, and similar descriptions and references in various provincial departmental reports, bear ample testimony to the interest which the matter commanded in official circles.<sup>37</sup> For the time being, however, regulation rather than positive measures seemed all that was asked for. The inadequacy of the efforts Ontario and Quebec made towards the creation of an employment exchanges network was an indication of the doubts the respective governments still harboured.

Even regulation was slow in coming. The much publicized Cordasco affair, which exposed the repulsive ways in which immigrants were abused by certain private employment agents, led only to the legislation which aimed at curtailing false representation abroad.<sup>38</sup> With respect to Canada, for many years the Municipal Acts of British Columbia, Ontario, and Quebec which provided for

<sup>35</sup> See Terry Copp, *The Anatomy of Poverty. The Condition of the Working Class in Montreal 1897-1929* (Toronto 1974), 140-8.

<sup>36</sup> For some hints as to her activities see her own testimony in American Economic Association, 30th Annual Meeting (1917), Papers and Proceedings, in *American Economic Review*, 8 (March 1918), Supplement, 188-9. Somewhat less charity- and more efficiency-minded reasoning was employed by a Special Committee at Winnipeg, composed mainly of civic personalities, in 1911. See *Labour Gazette*, March 1911, 997-8.

<sup>37</sup> It seems that demands for government-run labour exchanges arose in the Dominion during the 1890s, probably as a result of the depression. The *Report of the Royal Commission on the Relations of Labor and Capital* (1889), among its various suggestions, does not even allude to the question. In 1896, however, the *Report on the Sweating System in Canada* recommended that "either as a part of the work of the bureau of labor statistics or in some other way, a system of labor registration should be adopted so that working men might be informed promptly, as to where a demand might exist for their services, and employers at the same time advised as to where workmen could be obtained." (Canada, *Sess. Papers*, 1896, no. 61, 17). The Ontario Bureau of Labour, for several years after its creation, ran lengthy reports on the merits of public exchanges. See Ontario, *Sess. Papers*, 1903, no. 29, 130-40; *ibid.*, 1905, no. 29, 152-3; *ibid.*, 1906, no. 29, 148-50.

<sup>38</sup> "Act Respecting False Representations to Induce or Deter Immigration to Canada," Canada, *Statutes*, 4-5 Edw. VII (1905), c. 16. The act was passed at the request of the Trades and Labour Council. See *Commons, Debates*, 17 July 1905, 9699.

the licensing and regulation of private employment agents by an intending municipality, were the only official attempts at reform. The clauses of these acts were vague and not really binding; thus in 1904, in the entire Dominion only London, Winnipeg, and Vancouver seem to have had by-laws for the purpose.<sup>39</sup> The ice was not broken until the federal government moved to curb unethical practices within its own jurisdiction, the immigration field. The 1910 Immigration Act gave the Governor-in-Council the right to make regulations and impose penalties in order "to safeguard the interests of immigrants seeking employment." The details of licensing and inspection were more clearly spelled out three years later, and there is evidence that in the long run this kind of supervision was bearing some fruit.<sup>40</sup> Several provinces followed the precedent of the Dominion government. One month after the federal statute was enacted in 1910, a Quebec law gave licensing and inspection powers to the Minister of Public Works; an amendment of 1914 raised the licensing fee in cities with public offices in an attempt to increase the business of the latter.<sup>41</sup> A British Columbia law of 1912, amended in 1915, prohibited license-holders from sharing their remuneration with the employer's foremen or hiring agents.<sup>42</sup> Saskatchewan's act of 1913 was modelled in some respects after the earlier British Columbia law.<sup>43</sup> In Ontario a statute was passed in 1914 which was never applied; under the impact of the appalling evidence presented in 1916 by the Ontario Commission on Unemployment, however, the province came forward with a more detailed and stricter law in 1917.<sup>44</sup>

If regulation was not rushed into, Canadian governments were even more hesitant with regard to the establishment of free offices in the major industrial

<sup>39</sup> British Columbia, *Statutes*, 44 Vict. (1881), c. 16, s. 104 (65); Ontario, *Statutes*, 3 Edw. VII (1903), c. 19, s. 583 (17-21); Quebec, *Statutes*, 3 Edw. VII (1903), c. 38, s. XV, art. 424 (8). *Labour Gazette*, September 1904, 261-2. The Winnipeg by-law is printed in full *ibid.*, 262.

<sup>40</sup> Canada, *Statutes*, 9-10 Edw. VII (1910), c. 27, s. 66; P.C. 1028, 5 May 1913. This improvement came after an investigation into the practices of private agencies in major centres had been made in late 1912. See (federal) Department of Labour Library (henceforth DLL), Uncatalogued Papers, File 38. By 1915, 259 private agencies had obtained licences, see *Labour Gazette*, March 1915, 1069. Inspection seems to have started in 1913-14, as inspectors' salaries appear in the budget for this year for the first time. See Canada, Auditor General, *Report for 1914* (*Sess. Papers*, 1915, no. 11), K-34 to K-36. About 120-150 private bureaux were visited per year. *Ibid.*, Part II, 161-3, 168.

<sup>41</sup> Quebec, *Statutes*, 1 Geo. V (1910), c. 19. *Ibid.*, 4 Geo. V (1914), c. 21.

<sup>42</sup> British Columbia, *Statutes*, 2 Geo. V (1912), c. 10; *ibid.*, 5 Geo. V (1915), c. 23. The amendment came after the British Columbia Royal Commission on Labour had expressed itself "convinced of the unsatisfactory working of private employment agencies." See its *Report* (1914), p. M4.

<sup>43</sup> Saskatchewan, *Statutes*, 4 Geo. V (1913), c. 39.

<sup>44</sup> Ontario, *Statutes*, 4 Geo. V (1914), c. 38; OCU, *Report*, 122-3; Ontario, *Statutes*, 7 Geo. V (1917), c. 37.

centres where these agencies might distribute scarce work during times of labour surplus, and in general act as a check upon the practices of the private bureaux. Relief, of course, was still exclusively a municipal task, and the municipalities accordingly were the ones who were immediately interested in providing work rather than relief payments. Thus they took the initiative. The first city-sponsored institution of this kind in Canada seems to have been the Free Municipal Labour Bureau of Montreal, founded in 1896 at the request of the Montreal Trade and Labour Council, which placed between 2-4,000 persons annually, mostly general and farm labour and bushmen.<sup>45</sup> More restricted ventures were the Civic Labour Bureaux in Toronto (1897) and Hamilton. In the winter of 1908-09 Toronto also funded, in the manner of Montreal, a temporary Free Employment Bureau organized by the Associated Charities.<sup>46</sup> The severe unemployment crisis commencing in 1913 stimulated similar efforts elsewhere. Winnipeg and New Westminster, B.C. opened municipal offices in that year.<sup>47</sup> In 1914 Edmonton and Calgary followed, and Toronto reopened its Bureaux. Ottawa established a civic Bureau for the hiring of city workers in 1915.<sup>48</sup> Some of these offices did a commendable job, the Winnipeg exchange achieving as many as 12,282 placements within one year.<sup>49</sup>

As for the provinces, only Ontario and Quebec ventured into the distribution field beyond the immigration work. Ontario's endeavours were scanty and of a token nature, whereas Quebec, reacting to strong union pressure, made a more remarkable effort. In January 1907 Ontario appointed labour agents in the cities of Hamilton and Ottawa, and in May of the same year in London. They were paid \$300.00 per annum each and thus had to derive the major part of their income from private occupations. It has been asserted that "the widespread unemployment generated by the recession" was an influential factor in the decision of the Ontario government to establish these agencies. This is very improbable, however, as during the late months of 1906 employment in Ontario, on the contrary, was exceptionally strong, the recession not being felt until later in 1907.<sup>50</sup> More likely is another reason. The Ontario Bureau of Labour, created in 1900, had struggled to gain acceptance and recognition in different quarters for some time and thus obviously had an interest in showing something novel and timely. The creation of several employment offices, on a small scale, was a comparatively inexpensive undertaking which could be sold to the public as a well-intended measure and would not cause much harm politically. Other offices were opened in Berlin (1910), Brantford (1910), and

<sup>45</sup> *Labour Gazette*, September 1904, 260; *ibid.*, December 1906, 592; *ibid.*, November 1907, 491; *ibid.*, January 1913, 771.

<sup>46</sup> *Ibid.*, September 1904, 260-1; *ibid.*, June 1909, 1343.

<sup>47</sup> *Ibid.*, March 1915, 1067-8.

<sup>48</sup> OCU, *Report*, 117.

<sup>49</sup> *Labour Gazette*, March 1915, 1067-8.

<sup>50</sup> Ontario Bureau of Labour, *Report for 1906 (Sess. Papers, 1907, no. 30)*, 6; OCU, *Report*, 115; D.T. Haylock, "The Historical Tradition..." 18; Cf. the employment reports in the *Labour Gazette* for these months.

Walkerville (1912). The work of these agencies, as could be expected, was not very impressive. In 1908 the four bureaux filled 360 positions. The six bureaux of 1914 were able to place 1,933 workers, few indeed compared with the 60,000 people the private agencies were understood to have distributed during the same year. "This method of organization has the merit of keeping expenses at a minimum," said the Ontario Commission with respect to the provincial agencies, "but it involves a lack of system in the work."<sup>51</sup>

As has been mentioned above, a more substantial effort was made in Quebec. In 1910 its government, after having been beleaguered for several years by labour representatives, passed an Act Establishing Employment Bureaus for Workmen, according to which offices with fully-salaried agents were opened in Quebec City and Montreal (1911), and in Sherbrooke (1912). During twelve months in 1913-14, the bureau in Montreal obtained positions for 5,604 job seekers, the one in Quebec City for 618 and the office at Sherbrooke for probably about the same number. These were not inconsiderable figures, but they, too, were a far cry from comprising the entire labour exchange work done in the province. Here, as elsewhere, the government apparently would not go any farther than political expediency pushed it.<sup>52</sup>

That individual distress as such would not elicit any substantial government succour became clearer than ever during the hard-hitting depression of 1913-14. Public debate and investigation was still about all the federal and provincial governments had to offer. The outbreak of World War I did reinforce this attitude, if anything, as the war demands promised to alleviate the unemployment problem in due time.

The hope that public labour offices would go a long way towards helping the jobless in the streets was by now figuring very prominently in the minds of many who were concerned with the problem. Not only did various municipalities expand or newly create such facilities, but even the House of Commons felt obliged to show interest in the matter. When Miss Wileman was given a chance to appear before its Select Committee on Agriculture and Colonization, she could point to support from, among others, five provincial Premiers. Federal Minister of Labour T.W. Crothers travelled to England in early 1914 in order to study the British system and upon his return pronounced himself favourably impressed.<sup>53</sup> Over the summer, however, the problem lost

<sup>51</sup> Ontario, Bureau of Labour, *Report for 1902 (Sess. Papers, 1903, no. 29)*, 7. Cf. also TLC, 23rd Annual Convention, *Proceedings*, 14; the Congress regrets the lack of importance of the Bureau; OCU *Report*, 115, 113, 116.

<sup>52</sup> TLC, 26th Annual Convention, *Proceedings*, 27. The position of Superintendent of the Provincial Employment Bureau at Montreal was filled with a TLC man (F. Payette). See TLC, 27th Annual Convention, *Proceedings*, 35; Quebec, *Statutes*, 1 Geo. V (1910), c. 19; Québec, *Ministre des Travaux Publics et du Travail, Rapport général pour 1911* (Documents de la Session, 1912, no. 4), 114, 118. *Ibid.*, pour 1913 (Documents de la Session, 1914, no. 4), 116; Quebec, *Ministre of Public Works and Labour, General Report for 1914 (Sess. Papers, 1915, no. 4)*, 127, 111, 129.

<sup>53</sup> Commons, *Journals*, 1914, Appendix no. 2, 97-100; see interview with the Ottawa

some of its urgency, and government attention dropped. The hardships of the next winter prompted scarcely any more meaningful developments. Ontario created a Commission on Unemployment to make an inquiry "into all matters relating to the unemployment of labour."<sup>54</sup> Parliament in Ottawa began to debate the question of employment agencies once more, and although Crothers had a hard time defending the paucity of governmental action, nothing substantial was being promised.<sup>55</sup> When a barrage of formal petitions, all demanding that free bureaux should be established, hit the Commons and the Senate, Senate Leader J.A. Lougheed objected that such an undertaking was not "within the jurisdiction of the Dominion Government," a questionable statement indeed in view of the powers given to the central government by the War Measures Act. Crothers was perhaps more to the point when he said that the establishment of bureaux "would be a very expensive thing to undertake . . . an immense expenditure." Expenditures, though, were to be made to finance the war effort, not charities. There the matter rested for the time being. When during 1915 unemployment subsided, as the benefits of enlistment and war production made themselves felt, federal and provincial authorities could drop the idea of relief action for years to come.<sup>56</sup>

A definite turn in governmental attitude towards public employment offices came only in 1916. The reason for this was well expressed by J.G. Sherrard, President of the CMA. "A year ago," he said in June 1916, "we were devising means to furnish labor for our unemployed. Today, the question of securing skilled labor is a very acute problem; and many factories are obliged to refuse orders because of the shortage of labor."<sup>57</sup> The pressures of war caused those responsible in the provinces as well as on the Dominion level to reassess the value of an exchange network. As a result of this change in outlook the Employment Service of Canada was created in 1918.

Ontario took the lead in building up an effective chain of offices which could handle manpower distribution on a large scale, and it did so to provide workers for jobs, not jobs for workers. It is true that the *Final Report* of the Commission on Unemployment was laid before the legislature on 1 March 1916, and that it recommended that a Provincial Labour Commission should be appointed "to further the organization of Provincial Employment Bureaux throughout Canada with a view to their ultimate linking together in an effective

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*Evening Journal*, reprinted in Commons, *Debates*, 26 February 1915, 487-8.

<sup>54</sup> OCU, *Report*, 1.

<sup>55</sup> Similarly the *Labour Gazette*, when noting the public discussion "of the merits of national labour exchange systems," explicitly refrained from passing any judgment on the matter. *Ibid.*, March 1915, 1064.

<sup>56</sup> Commons, *Journals*, 1915, 74, 79, 95, 102; Canada, Senate (Senate), *Journals*, 1915, 39; Senate, *Debates*, 18 March 1915, 137; Commons, *Debates*, 26 February 1915, 486; see also the corresponding remarks made in this context by Senator G. Gordon. Senate, *Debates*, 18 March 1915, 139.

<sup>57</sup> J.H. Sherrard, "The Year's Work in Retrospect," *Industrial Canada* 17 (July 1916), 346.

national system."<sup>58</sup> It is also true that Ontario opened its first labour bureaux manned by full-time staff in the following November (Toronto), December (Ottawa), and January (Hamilton), which were followed by others later on, so that by the end of 1918 the Province had ten full-time offices, and one with part-time staff, operating in its major centres.<sup>59</sup> But *post hoc* in this case obviously did not mean *propter hoc*. The Commission had been appointed "not to consider conditions arising out of the war . . . but to examine into the permanent causes of recurring unemployment in Ontario, and to recommend measures to mitigate or abolish the evil." In line with this mandate it understood that the proposed system of public employment bureaux would be a "welfare organization."<sup>60</sup> In 1916, however, unemployment was no longer an issue at all, and if the previous record of the province's governments can be taken as ground for speculation, there is justification for every assumption that, without other reasons pressing in the same direction, not very much, or at least nothing immediate, would have happened after the Commission wound up its work. It therefore cannot be asserted that "the Ontario Government responded to the Commission's recommendations and established a new chain of employment bureaux," as such a statement clouds the real motivations.<sup>61</sup>

The fact that during the following months the Ontario government moved to reorganize its labour administration and, more particularly, made its employment bureaux more efficient, was not so much the result of humanitarian consideration as that of the manpower demands of the war. Later public utterances of the Ontario government confirm this interpretation. "The war has changed and enlarged the immediate purpose of employment bureaux," the Superintendent of Trades and Labour wrote in 1918; "as the bureaux have opened one by one, it has been to meet each time a recognized war need, to act as the machinery to carry out a definite constructive plan. . . ." In the following year he stated that "the functions of the Employment Bureaus . . . were to facilitate employment adjustments in all departments of labour and primarily to recruit workers for the essential industries."<sup>62</sup> During the 12 months preceding

<sup>58</sup> OCU, *Report*, 13.

<sup>59</sup> The legal basis for this development was provided by the Trades and Labour Branch Act of April 1916 (Ontario, *Statutes*, 6 Geo. V [1916], c. 13), section 10 (d). The Toronto office absorbed the employment bureaux of the Women's Emergency Corps and the Women's Labour activities of the Imperial Munitions Board. Similarly the Ottawa office was taken over from the Imperial Munitions Board. See Ontario, Dept. of Public Works, Trades and Labour Branch, *Report*, 1917 (*Sess. Papers*, 1918, no. 16), 9; and *ibid.*, 1918 (*Sess. Papers*, 1919, no. 16), 7.

<sup>60</sup> OCU, *Report*, 9, 125.

<sup>61</sup> D.T. Haylock, "The Historical Tradition, . . ." 73.

<sup>62</sup> Ontario, Dept. of Public Works, Trades and Labour Branch, *Report*, 1917, 9; *ibid.*, 1918 (*Sess. Papers*, 1919, no. 16), 7. In a similar way he wrote to the Deputy Minister of Labour of British Columbia: "I may say that while Ontario has had several years' experience, . . . yet, it is only within the past fifteen months that the employment work has been on a real working basis." W.A. Riddell to J.D. McNiven, 31 May 1918,



and including October 1918, the Ontario network handled 41,525 openings for male and 23,844 for female help, of which it was able to fill somewhat better than half. In addition to supplying factory help, the system fulfilled the task of co-ordinating the various propaganda activities carried on by agencies such as the Organization of Resources Committee, the Department of Agriculture, and local bodies which were aiming at recruiting labour for agricultural production. It was also instrumental in the various campaigns to bring high school students ("Soldiers of the Soil") and women to the farm or into the canneries during harvesting time.

Similar, if less pronounced, were the efforts of the western provinces to meet the necessities of the war situation. The prairie provinces were particularly keen on ensuring the supply of farm labour, of which they had already been short during the pre-war years. The Saskatchewan government sought to overcome the problem through the creation of public employment offices as early as 1915; by 1918 it had four of them working. Manitoba responded to the difficulty by establishing an Immigration and Colonization Branch in 1916 which within its first year, through its employment office in Winnipeg, succeeded in distributing 14,382 farm labourers. Alberta, in 1917, opened offices at Lethbridge, Calgary, and Edmonton and placed 10,897 farm hands in that year. In May 1917, British Columbia passed a Department of Labour Act closely modelled upon the Ontario example of the previous year, including a provision for the establishment of employment bureaux. The first office was opened in July 1918 in Vancouver. Only the Maritime provinces and Quebec did not make any special provisions before the end of the war. In the latter province the three bureaux already operating before 1914 continued their work, but no other agencies were added.<sup>63</sup>

Ultimately, of course, the war was the responsibility of the Dominion government. The latter had to ensure not only continuing enlistment, but also the steady flow of war materials to the fighting line. Both obligations were directly linked to the availability of sufficient manpower. Furthermore the government was interested in the maintenance of law and order, a demand prompted both by constitutional mandate and the desire to preserve the existing social system. The end of the war, victorious or not — although the latter eventuality was never really assumed — was threatening to throw into Canadian streets 250,000 workers from the armaments industries and 500,000 demobilized soldiers. "Even the most cursory consideration of these questions soon brings the employer round to the point where he makes up his mind he must be on the look-out for trouble," editorialized the manufacturers' periodi-

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Ontario Archives (OA), R.G. 7, Series II-1, vol. 1 (Employment-General).

<sup>63</sup> Saskatchewan, Dept. of Agriculture, *14th Annual Report*, 1919, 29; Manitoba, Dept. of Agriculture and Immigration, *Annual Report*, 1916 (*Sess. Papers*, 1917, no. 10), 529, 532; Alberta, Dept. of Agriculture, *Annual Report*, 1917, 12; British Columbia, *Statutes*, 7 & 8 Geo. V (1917), c. 32. See also *Labour Gazette*, June 1917, 422; British Columbia, Dept. of Labour, *Annual Report*, 1918, H45.

cal already in late 1916.<sup>64</sup> Not only employers' interests appeared to be in danger, but social disturbances were foreseeable unless substantial counter-measures were taken. Considerations of this kind prompted the federal government effectively to intervene in the general labour market. Inexperienced in modern war leadership, it tried to meet the exigencies as they arose. This resulted in a two-pronged effort: on the one hand, care had to be taken of the recruitment, and then the release, of military personnel; on the other, the civilian sector had to be looked after. The former endeavour led to the creation of the Soldiers Civil Re-establishment Department; the latter resulted in the formation of the Employment Service of Canada.

In order to provide for the disabled returning soldiers, in summer 1915 the Military Hospitals Commission was established. This Commission soon found it necessary to develop plans for the reintegration not only of mutilated, but also of able-bodied veterans.<sup>65</sup> At conferences held with the provinces in October of the same year, it was agreed *inter alia* that the provinces would "assume the responsibility of finding employment for discharged soldiers."<sup>66</sup> Each province created, under varying names, a Provincial Soldiers' Aid Commission which through local branches found employment for the returning soldiers. For some time the commissions accomplished their task without difficulty, but it was understood that the provincial obligation would extend "only to the problems . . . pressing for the moment, and not [include] the provision of securing employment for the whole forces on demobilization." Thus by July 1917 the Commons Committee on Returned Soldiers came to the conclusion "that the Federal Government should assume the expenses and responsibility of finding employment for the returned soldiers, with such cooperation from the province as they are willing and able to give," and it recommended that the federal government establish and maintain "at suitable centres throughout the Dominion . . . general clearing-house bureaux" which, among other functions, "might also act as federal employment agencies."<sup>67</sup>

The task to render such a service logically might have been assigned to the Soldiers' Civil Re-establishment Department when it was created in 1918 as a successor to the Military Hospitals Commission. This was not done, however,

<sup>64</sup> "Labour Troubles Ahead," *Industrial Canada* 17 (December 1916), 926.

<sup>65</sup> *Labour Gazette*, April 1917, 284; see e.g. the "Plan Submitted by the Secretary of the Military Hospitals and Convalescent Homes Commission, . . ." Canada, *Sess. Papers*, 1916, no. 35a. The plan is dated 9 October 1915.

<sup>66</sup> Special Committee of the House of Commons on Returned Soldiers, *Second Report*, 25 April 1917 (Commons, *Journals*, 1917), 470.

<sup>67</sup> Up to 3 February 1917, out of a total of 6,034 men, 5,886 had been placed. *Labour Gazette*, April 1917, 285. This unsolved problem prompted the National Service Board to make an "occupational survey" in February 1917. All employers in Canada were asked to estimate the number of workers required, and their occupations, "within six months after the end of the war;" similarly, all men in the overseas forces had to fill out a questionnaire requesting information as to their occupational wishes after demobilization. *Ibid.*, 471-2, 479-80.

as the government by that time was already well on its way towards the establishment of a civilian exchange network, which conceivably could also handle the task just mentioned. The intention to create such a civilian service began to take shape as early as 1916. In February of that year the Conservative government allowed the Commons to accept a motion by former Postmaster General and Minister of Labour R. Lemieux which stated: "That this House is of opinion that the Government should carefully consider the advisability of establishing a system of National Labour Bureaux, to cope with the new conditions arising during and after the war."<sup>68</sup> It was the war conditions that now prompted action, rather than those that had prevailed well into 1915. The manpower shortage of the war economy and the fear of social upheaval at demobilization time provided the decisive motivation for this move.

The government thought of solving the problem through stock-taking and active distribution. The slowness of the pace and the awkwardness with which the necessary measures were being implemented, however, can probably be seen as an indication of the fact that the task was still not considered to be of primary importance. As early as June 1916 the CMA's Toronto branch had asked for a national register to be established, and President Sherrard had taken up this request when asking rhetorically "Has the time not come for Canada to register her men so that those who can be most useful to the war by remaining at the work they are necessary to, shall not be recruited?"<sup>69</sup> But it was only in October 1916 that the National Service Board was created in order to take "such measures as may be expedient to have all available labour in the dominion utilized to the greatest advantage, and with that view to make an estimate of such available labour."<sup>70</sup> The estimate-making, furthermore, suffered from its original purpose which was "to obtain the largest number of recruits available in this country having regard at the same time to the necessity of maintaining the agricultural, industrial and commercial stability of the Dominion."<sup>71</sup> As recruitment was still voluntary, registration with the National Service could not be made mandatory. Of an estimated 2,250,000 males between 16 and 65 years of age in the Dominion, only about 1,500,000 returned registration cards by mid-February 1917, and in Quebec the response was particularly poor. By mid-May, the number had not substantially increased. When the National Service Board practically ceased to exist after the passage of the Military Service Act in late August 1917, its past Director, R.B. Bennett, in so many words admitted the failure of "the work [I] was unfortunate enough to have been induced to undertake."<sup>72</sup>

<sup>68</sup> Commons, *Journals*, 1916, 81 (my emphasis). The debate on the motion is to be found in Commons, *Debates*, 7 February 1916, 597-622.

<sup>69</sup> J.H. Sherrard, "The Year's Work in Retrospect," 346.

<sup>70</sup> P.C. 2351, 5 October 1916.

<sup>71</sup> Sir Robert L. Borden to Sir Thomas Tait, 11 September 1916. Canada, *Sess. Papers*, 1917, no. 87, 1.

<sup>72</sup> Richard B. Bennett, "Memorandum for . . . Sir Robt. Borden . . . Regarding National Service," 18 February 1917. Public Archives of Canada (PAC), Borden Papers, vol. 164,

The problem which had prompted the attempt had become more acute in the meantime. After some preparation the government thus created a new body, the Canada Registration Board.<sup>73</sup> Female as well as male labour was to be counted, and the registration was now to be compulsory. The idea of utilizing the results of the National Service Board was rejected in favour of a totally new undertaking. Difficulties of organization and legal arrangements, however, again delayed the actual registration, and when it finally took place on 23 June 1918, it was marred by spotty resistance in the west and violent opposition in Quebec. The 92.9 per cent registration which the Board claimed might nevertheless have been considered satisfactory, had the results not been available only in late September, when the end of hostilities was near.<sup>74</sup>

If counting manpower proved no great success, the federal distribution scheme also took its time to get under way. It was only in early 1918 that substantial efforts were discernible. The Cabinet, when discussing the labour shortage, was presented with a document proposing the creation of a system of Dominion labour exchanges. The memorandum outlined two possibilities, namely provincial networks with a federal central clearing house "for statistical purposes," or, preferably, an essentially federal organization which might be built upon the existing Dominion Immigration Service. The War Cabinet subsequently discussed this exchange idea with labour leaders and women representatives; the former accepted it with some reservations; the latter were all for it.<sup>75</sup> Also in favour were representatives of the provincial Departments of Agriculture who were meeting in Ottawa in January 1918.<sup>76</sup> When the respective Bill finally was presented to the Commons on 17 April 1918, it proposed the provincial scheme. Crothers, the Minister under whose purview the administration of the Act was to fall, stated in Committee in this regard that he "thought that [a centralized] system would be too cumbersome." It would also

89089. See also the tables in Commons, *Debates*, 20 September 1917, 6088-9; *ibid.*, 14 May 1917, 1376. The figure given was 1,549,360; *ibid.*, 20 September 1917, 6092.

<sup>73</sup> The Government met with Labour and Women representatives. See *Labour Gazette*, February 1918, 62, and PAC, Borden Papers, vols. 97/98, 52274-5. Conferences were held on 16 and 29 January 1918, with 30 and 56 labour representatives respectively, among them 5 (6) members of the executive of the TLC, see *ibid.*, vol. 100, 54908-101.

<sup>74</sup> G.D. Robertson (Chairman of the Board), "Canadian Registration Board. Interim Report," typewritten, n.d. PAC, Borden Memoir Notes, vol. 340, 2316-28.

<sup>75</sup> "Memorandum to Minister of Labour re Labour Shortage. . . ." This unsigned document seems to have been written in early Jan. 1918; PAC, Borden Papers, vols. 100/101, 54102 ff.; 54211. The Women's War Conference, held 28 February-2 March 1918, saw "about 75 women present in all. Some of these were representatives of nationally organized societies, the others were invited in each case because of special experience in, or knowledge of some form of public activity such as agriculture, industrial work, teaching, nursing, charity organization or the press." *ibid.*, vols. 100/101, 54207. While the Labour delegates remained somewhat ambiguous, the women representatives "heartily endorsed" the national registration plan.

<sup>76</sup> T.A. Crerar (Minister of Agriculture) to Borden, 23 January 1918, *ibid.*, vol. 99, 53399.

have meant that the federal government would have taken on substantial responsibilities in the social field. The scheme adopted, then, was one of conditional grants to the provinces, the model of which had been furnished by the 1913 Agricultural Instruction Act.<sup>77</sup> Basically the idea was to induce the provinces, by way of financial incentives, to build up provincial networks of their own which would be co-ordinated through "one or more [federal] clearing houses for the interchange of information between employment offices concerning the transfer of labour and other matters."<sup>78</sup> This Employment Offices Co-ordination Act received royal assent on 24 May 1918. It has to be considered the most important step of the Canadian state's way into the labour market, as with it the Dominion government finally took a concrete step towards distributory measures of a general nature.

While the Act had apparently been passed because of the manpower scarcity due to the war, its actual implementation was rather a result of the concern the authorities felt for the immediate post-war period. That influential circles had had this concern as early as 1916, has been intimated above.<sup>79</sup> In March 1917 the CMA was pressing the case again. "The bulk of the able-bodied will come back after the war. Their return can only be by degrees; but, even so, it will create a tremendous problem and it is none too soon to devise measures for its solution."<sup>80</sup> There is some evidence that such considerations became a motivation for government action in spring 1918. A review undertaken a year later stated that it was recognized at the time "that in the period of transition and upheaval following the coming peace, the question of properly distributing the country's labour supply would be quite as important as the provision of opportunities for employment;" the same document confirms that it was this recognition which "bore fruit in the spring of 1918 in the passing of an act to create machinery which is now [February 1919] the essential basis of all official efforts to reabsorb our soldiers and war workers into normal civilian life."<sup>81</sup>

Nothing substantial was accomplished, however, as long as the end of the hostilities was not yet in sight.<sup>82</sup> Further steps were taken only when large scale

<sup>77</sup> Commons, *Debates*, 23 April 1918, 1040; Canada, *Statutes*, 3-4 Geo. V (1913), c. 5. Borden referred to this act in the Commons. *Debates*, 17 April 1918, 842.

<sup>78</sup> Canada, *Statutes*, 8-9 Geo. V (1918), c. 21 (The Employment Offices Co-ordination Act), s. 3 (b).

<sup>79</sup> J.H. Sherrard said as early as mid-1916 that it was necessary "to study and recommend a comprehensive and sufficient plan to provide for our returning soldiers after the war." "The Year's Work in Retrospect," 348.

<sup>80</sup> O.N.E., "Fitting Returned Soldiers for Industry. The Canadian Manufacturer's Interest in Their Restoration," *Industrial Canada* 17 (March 1917), 1281.

<sup>81</sup> General Survey of Canada's Repatriation Plans, printed memorandum, prepared by the Repatriation Committee, Ottawa, 15 February 1919. PAC, Borden Papers, vol. 92-93.

<sup>82</sup> For an account of the few preparations undertaken over the summer see *Labour Gazette*, September 1918, 690. In July 1918 the government did still not feel induced to

demobilization became an immediate prospect. Then things began to move fast. At the end of October 1918 the President of the Privy Council, N.W. Rowell, feared that if "Canada faces acute conditions of unemployment without any adequate programme to meet the situation, no-one can foresee just what might happen;" among the remedies he recommended was "a system of Federal Labour Exchanges, possibly based on the Act of last Session, but strengthened and enlarged to meet the needs." Rowell's sense of urgency was now shared by others,<sup>43</sup> and at a conference in Ottawa in November 1918, representatives of the federal Department of Labour and the provincial governments began to discuss details of the future governmental employment work such as the relationship between federal and provincial services and between both and the Department of Soldiers' Civil Re-establishment.<sup>44</sup> They decided that only one centralized system should be created, so as to ensure that returned soldiers could get preference over those who had not enlisted. The results of the conference were embodied in an Order-in-Council<sup>45</sup> which subsequently became the basis of the future organizational work.

The actual build-up of the Service needs only briefly to be sketched here. The urgency of the matter had induced the Minister of Labour to state at the conference just mentioned that "during the emergency period the Federal Government would be glad to bear its share of any maintenance expenses in excess of the amount granted under the Employment Offices Coordination Act." Consequently, an Order-in-Council of 12 March 1919 augmented the sums fixed under the Act (\$50,000 for 1918-19, and \$100,000 for 1919-20) by \$30,000 and \$100,000 respectively. The various provinces began to expand or create their individual networks, so that by the end of March 1919 a total of 66 federally subsidized employment exchanges had opened. This number rose to 95 a year later, but fell to 75 a year after that. The reduction was due to the closing of offices in the Maritime Provinces, which the federal Department of Labour had operated during the demobilization period up to the end of April

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go any further than to recommend "That for the purpose of mobilizing the available labour supply . . . the Managers and Operators of industrial establishments and the trade unions concerned should keep Provincial or Municipal Employment Agencies and the Canada Registration Board fully informed as to labour required if available." P.C. 1743, 11 July 1918.

<sup>43</sup> Rowell to Borden, 28 October 1918. PAC, Borden Papers, vols. 114-115, 63120; 63125. See also G.D. Robertson (Minister of Labour) to D.C. Christie, 17 December 1918, *ibid.*, vol. 94, 49418. Significantly, the CMA, the TLC, and the Joint Committee on Technical Organizations presented a memorandum drawn up jointly on 29 November 1918, to the Cabinet which stated that "The establishment of one chain of employment bureaus, operated by the provinces in co-operation with the Federal Government, is heartily endorsed." *Labour Gazette*, December 1918, 1102-3. See also *ibid.*, 1042-3.

<sup>44</sup> See "Minutes of the Conference of Employment Officials of the Dominion and Provincial Governments Held in Ottawa November 19-23, 1918," OA, R.G. 7, Series II-1, vol. II, Box 1 (Employment-General). Cf. also *Labour Gazette*, December 1918, 115-6.

<sup>45</sup> P.C. 3111, 17 December 1918.

1920, whereby those provinces had supplied only premises and equipment. Nova Scotia, however, soon opened, like the more western provinces, offices of its own, whereas the federal government arranged for subsidies to municipal bureaux in New Brunswick until these were taken over by the province in fall 1923. Interprovincial clearing houses were initially maintained by the Dominion at Moncton (and subsequently Halifax), Ottawa, Winnipeg, and Vancouver, but by 1925 only Ottawa and Winnipeg remained.<sup>66</sup>

The co-operation with the Soldiers' Civil Re-establishment Department during the demobilization period was as close as expected. Representatives of the latter sat in all provincial Employment Offices, seeing to it that veterans were given preferential treatment. This Department even opened temporary one-man offices of its own in places where no permanent Employment Offices would be established. The employment work of the Department practically ended with June 1920, when its main task was understood to have been accomplished. By then it had placed almost 110,000 men, out of 174,000 job seekers. The Employment Service of Canada, during the fiscal year 1919-20, placed a total of 329,000 people, presumably including the veterans. In 1920-21, the figure was 340,000; in the following year, 277,000.<sup>67</sup>

The many resolutions and recommendations voiced over the years to eliminate private employment agencies were also finally heeded, in the face of the new exigencies, by a majority of the provinces. Thus in 1918 Manitoba and in 1919 Saskatchewan, Alberta, and British Columbia legislated to this effect; in 1920 Nova Scotia followed suit. Quebec and Ontario passed laws increasing the provinces' power to regulate the private bureaux.<sup>68</sup> Only the less industrialized provinces of New Brunswick and Prince Edward Island did not think it necessary as yet to make a move in this direction.

Thus a major breakthrough had occurred. By the beginning of the 1920s the Canadian state, on the provincial as well as on the federal levels, had engaged itself heavily in the labour market, and it fully dominated the job exchange activities. It found itself in this situation as a consequence of the World War, although the statement seems warranted that the motivations which had induced it to assume this responsibility were partially the very same which had

<sup>66</sup> "Minutes of the Conference, . . ." 1; Canada, Dept. of Labour, *Report*, 1919 (*Sess. Papers*, 1920, no. 37), 50, 52; Canada, Dept. of Labour, *Report*, 1920 (*Sess. Papers*, 1921, no. 37), 74; *Ibid.*, 1921 (*Sess. Papers*, 1922, no. 37), 73. The arrangement for the Maritime provinces was regulated by P.C. 3171, 24 December 1918. See Canada, Dept. of Labour, *Report*, 1919, 50; Canada, *Statutes*, 10-11 Geo. V (1920), c. 25; New Brunswick, Comptroller General of the Public Accounts, *Report*, 1923, 182.

<sup>67</sup> Canada, Dept. of Soldiers' Civil Re-establishment, *Report*, 1920 (*Sess. Papers*, 1921, no. 14), 90-5; Canada, Dept. of Labour, *Report*, 1920, 92; *ibid.*, 1921, 79; *Report*, 1922 (*Sess. Papers*, 1923, no. 26), 56.

<sup>68</sup> Manitoba, *Statutes*, 8 Geo. V (1918), c. 25; Saskatchewan, *Statutes*, 9 Geo. V (1919), c. 67; Alberta, *Statutes*, 1919, c. 15; British Columbia, *Statutes*, 9 Geo. V (1919), c. 26; Nova Scotia, *Statutes*, 10-11 Geo. V (1920), c. 13; Quebec, *Statutes*, 9 Geo. V (1919), c. 33; Ontario, *Statutes*, 9 Geo. V (1919), c. 38.

induced it to become active in this field two or three generations earlier. It is true that requests based on humanitarian concerns had received some consideration. But both before the War and during its first year, it was mainly in the interest of efficiency that governments in Canada decided to take a hand in manpower distribution. In the nineteenth century, and well into the twentieth, the effort of populating a still largely undeveloped country quite naturally brought with it the wish to put the available labour into the most rewarding spots, a task which private enterprise was not able to fulfill satisfactorily. It was virtually the same consideration that was instrumental in widening government involvement during World War I, when it became necessary to marshal all the manpower at hand for the war effort. This goal brought the major English-speaking provinces effectively into the exchange field, and it persuaded the Dominion government to furnish itself with the legal framework for a national exchange service.

During the last months of hostilities, however, this motivation yielded to another one, namely the desire to establish an instrument of social control. The latter proved to be a purpose no less urgent, and it became the one which caused the Dominion's legal provisions to be translated into action. Ultimately the Employment Service of Canada owed its creation to the threat, and its build-up to the existence of public turmoil at and after the end of World War I. The establishment of the Service offered itself as a countermeasure against unrest, and the Borden government was happy to have recourse to this concept which originally had been devised to serve a different goal. When finally launched, the Service was meant to fulfill the same task as censorship by order-in-council, the deportation of British subjects, or the activities of the Board of Commerce. Just as the latter institution, called into existence in 1919 in order to look at prices and profits, was expected to "do something to lessen the industrial unrest there is in this country today," the Employment Service machinery had to be "in efficient working order, [so that] the problems occasioned by the demobilization of our soldiers and by the displacement of War workers are greatly simplified."<sup>89</sup>

The parallel with the Board goes even a bit further. The latter to some degree achieved what its creators had had in mind, as it proved helpful in preserving the basic components of the existing economic order and integrating disruptive social forces in the established political economy. When this goal was reached, the Board was let wither away at the end of 1920.<sup>90</sup> In the same way the Employment Service soon enough lost favour with the authorities. Federal funds were coming less generously after 1922, which forced the Ser-

<sup>89</sup> Commons, *Debates*, 3 July 1919, 4523 (W.F. Nickle); General Survey of Canada's Repatriation Plans, 39.

<sup>90</sup> Thomas D. Traves, "The Board of Commerce and the Canadian Sugar Refining Industry: A Speculation on the Role of the State in Canada," *Canadian Historical Review* 55 (1974), 173-5.



vice to curtail its operations substantially.<sup>81</sup> After this, however, it was allowed to continue in a somewhat inconspicuous way. Thus it was in place when the advent of World War II and of unemployment insurance provided a new purpose.

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<sup>81</sup>Two of four Interprovincial Clearing Houses had closed by 1922, and the number of offices was reduced from a high of 91 (1920) to 65 (1924). Canada, Dept. of Labour, *Report for 1920*, 74; report for 1925, 62. See also Research Staff of Industrial Counselors, Inc., "Administration of Public Employment Offices and Unemployment Insurance," 68 and tables on 66, 76. Also J. Struthers, "Prelude to Depression, . . ." 287-8.

### Western Canadian Studies Conference

The 1981 Western Canadian Studies Conference will be held 23 and 24 January at the Banff Springs Hotel in Banff, Alberta. The theme of the meeting will be "War and Society in Western Canada: 1914 to 1945." The focus will be on the impact of war on different aspects of western Canadian life and society, and the role played by the west and westerners in World Wars I and II. The following sessions have been planned: War, Agriculture and Industry in the West; Women and War in Western Canada; War and the Western Canadian Economy; War and Propaganda in Western Canada; Manpower and War in Western Canada; World War One; Western Canada and Western Canadians in Action, 1914-1945. Banquet speaker will be Col. C.P. Stacey.

Registration information may be obtained from Ms. Madeline Aldridge, c/o Conference, Faculty of Continuing Education, University of Calgary, Calgary, Alberta T2N 1N4. Those who plan to attend are urged to write early since only a limited number of rooms will be available at the Banff Springs Hotel at the special conference rate.