

The return of ex-servicemen to civilian life after discharge from the Forces—a field of activity which is intimately related to all other measures concerning man-power—is the special province of the Rehabilitation Board. The Secretariat of the Board, however, is located within the Department, and works under the general supervision of the Industrial Man-power Division, while out in the districts the work of industrial mobilization and rehabilitation is carried out in the same district offices.

While, therefore, the major interest of the Division lies in the control of the movements of the industrial labour force, these further activities enter into its scope to some extent.

In conformity with this general conception of the subject, the present report is divided into two main sections—the first describing the development of industrial man-power control, and the second referring to employment promotion. A separate report is being prepared by the Rehabilitation Board to deal in detail with the subject of rehabilitation.

Details of staff, finance, and regulations affecting this Division along with other sections of the National Service Department are set out in Part III and in the Appendix of the accompanying report of the Director of National Service, and these matters will not therefore be specially covered in the present report.

A number of statistical and similar tables relating to the work of the Division will be found in an Appendix at the end of this report.

PART I.—INDUSTRIAL MOBILIZATION

1. THE ORIGINS OF INDUSTRIAL MOBILIZATION

By the end of 1941 the withdrawal of man-power to the armed forces had reached a point where employers engaged in important industries were experiencing great difficulty in replacing these losses of personnel or, alternatively, in maintaining the scale of their activities with their remaining man-power. But these were not the only difficulties with which they had to contend. Other employers, engaged in both essential and non-essential industries, were similarly placed, and the all-round shortage of labour had led to a state of competition between employers for the remaining labour, and to the practice of enticement of workers from one employer to another for higher wages. Not only was the economic stabilization of the Dominion in danger of becoming prejudiced by this spiralling of wages and consequently of prices, but also the output of war industries was being threatened through staffing difficulties.

These difficulties were common to all countries which had been mobilizing their man-power resources for service in the armed forces, and a series of remedies for them had been evolved in Great Britain some time previously. As mentioned in the accompanying report of the Director of National Service, these remedies had been closely studied by officers of the National Service Department, and a number of recommendations had been placed before War Cabinet in the latter part of 1941.

The entry of Japan into the war at that time, and the subsequent mobilization of the home defence forces, greatly accentuated the already difficult man-power position in industry, so that within a short time authority was given to implement the first of the series of measures which are described hereafter. As the home defence forces continued to be built up, further measures became necessary, and the full programme of industrial man-power control at present in operation has thus been the result of a process of growth and extension spread over more than a year.

2. THE VARIOUS MEASURES OF CONTROL

The leading measures of control which are at present administered by the Industrial Man-power Division are, briefly :—

- (1) Restriction of movements of labour from industries and undertakings which are essential in war conditions :
- (2) Registration of civilians for work, and subsequent interview, selection, and direction into work of national importance :
- (3) Restriction of engagement of labour in undertakings which are not regarded as essential in war conditions :
- (4) Administration of regulations affecting industrial absenteeism :
- (5) Control of applications for release from camp of members of the armed forces (a recent development).

The administration of these measures may be said to be directed toward the following four main purposes :—

- (a) To secure priority in the labour market for war industries and essential services :
- (b) To protect continuity of production by minimizing the circulation of labour in such industries and services :
- (c) To tap all available reserves of man-power not in industry, in order to supplement the existing labour force :
- (d) To facilitate adjustments or re-organization likely to result in either (i) increased production, or (ii) economies of man-power.

3. ADMINISTRATIVE ORGANIZATION

Power to give effect to the above measures of control was first taken in an amendment to the National Service Emergency Regulations dated 13th January, 1942, and in the Industrial Absenteeism Emergency Regulations dated 20th May, 1942. These provisions and subsequent amendments to them were re-enacted as the Industrial Man-power Emergency Regulations 1942, gazetted on 15th October, 1942.