

(iv) Dissipation of the Hard Core of Unemployment

418. A very noticeable effect of the acute shortage of man-power brought about by wartime requirements was the absorption into industry of almost the entire body of pre-war unemployed. There were approximately 19,000 men on unemployed benefits or in subsidized work in 1939. By 1943 this figure had fallen to 900. This fall is more remarkable when it is remembered that the figure of 19,000, representing 37 unemployed persons per 1,000 of the male working population, was regarded at that time as an irreducible minimum. (In this connection it is noteworthy that Sir William Beveridge suggests 3 per cent. as the minimum figure in a state of full employment, while other economists have set the figure at between 2 per cent. and 5 per cent.) The figure was made up largely of a small number of "frictional" unemployed, and a large number who were regarded as "unemployable"—men who, for some reason or other, were considered to be unacceptable to industry. The low level of unemployment reached in 1943 has been maintained throughout the war, and, in spite of the return of Service personnel and their re-absorption into industry, the figure at the end of 1945 was approximately 700, or a little over 1 per 1,000 male workers. The present position is that considerably more male labour is required than can be made available, and at the 31st March, 1946, returns from District Employment Officers indicated that there were 7,106 unsatisfied vacancies for males, and only 402 disengaged persons.

(v) Depletion of the Less-essential Services

419. Large numbers of males in various less-essential industries were either absorbed into the Armed Services, or spread over higher priority work. The male labour content of miscellaneous services such as hotels, restaurants, and entertainments was 46 per cent. lower in 1943 than in 1939, and in 1945 still remained 16 per cent. below the pre-war total.

(vi) Difficulties in the Farming Industry

420. Farming, which accounted for 30 per cent. of the pre-war labour force, contributed a substantial number of men to the Armed Forces, and it has been estimated that in the early part of the war as many as 20,000 men, or approximately one-eighth of the pre-war strength, had been withdrawn from the industry. There were about 8,000 women engaged in farm work in 1939, and some 2,000 more were drawn in to assist in meeting the position, recruitments for the Women's Land Service playing an important part. It is probable that farms were reasonably well manned at the outbreak of war, and a small portion of the unemployed and subsidized workers at that time can be assumed to have been potential farm workers. Nevertheless, the withdrawal of so large a number of males, combined with a small-scale but persistent drift from farming to other occupations, had by 1942 become a limiting factor to any increase in food production. It became necessary to restrict further the movement of workers from the farms, and in 1942 approximately 8,000 men were released from camp to return to the land. By December, 1943, the numbers of males on farms had risen to 143,000, or 92 per cent. of the 1939 figures, and by the end of 1945 had almost returned to pre-war strength. At the 31st March, 1946, an industrial classification of vacancies in industry disclosed out of a total of 7,106 male vacancies as reported to District Employment Officers, only 259 in farming, or under 4 per cent. of the total vacancies.

(vii) Position in other Primary Industries

421. Except in the coal-mining industry, where the numbers employed rose throughout the war, the variation in the numbers of males occupied in other primary industries was roughly parallel to that in farming. Return to pre-war strength is, however, slower. There is a marked reluctance of labour to accept the disabilities of remoteness and lack of suitable accommodation and amenities common to much of the employment offering in the sawmilling and coal-mining industries and the numbers