CHAPTER 4

POST-WAR Prosperity AND A Replenished Labour Supply

16,000	aircraft
741	naval vessels
3,302	landing craft
410	cargo vessels
800,000	transport vehicles
50,000	tanks
148,000	heavy guns
2 million	tons of chemicals and explosives
133 million	rounds of heavy ammunition
5 billion	rounds of small arms' ammunition

1943: Historic Quebec meeting of wartime leaders: Prime Minister William Lyon Mackenzie King, U.S. President Theodore Roosevelt and British Prime Minister Winston Churchill.

It was quite a shopping list. Especially given that everything on it was Made in Canada. As he solemnly intoned his country's declaration of war against Germany in 1939, Liberal Prime Minister Mackenzie King was still casting about for ways to revitalize the nation and avoid the mistakes of the First World War. On all accounts, despite his initial reluctance to enter the fray, King would enjoy remarkable success.

Barely eighteen months later, with Canadian troops on guard in Britain and Royal Canadian Navy corvettes providing protection for British convoys in the western Atlantic, Canada's national economy was booming. Sixteen munitions factories across the country produced a range of materials for the war, including military vehicles, mine

sweepers, smaller coastal vessels and escort vessels like the corvettes.

Gone just as suddenly were the high levels of unemployment that had so troubled the Canadian economy in the 1930s. More than half a million Canadian workers who had been unemployed prior to the war were quickly absorbed, either into the armed forces or the rapidly expanding workforce. Even these numbers, however, were not sufficient to meet the growing demand and young people, women and seniors were mobilized as well. By 1943, 1.2 million Canadians had found work in war industries, many in factories that hadn't even existed as the war began.

Most of the new materials were manufactured by private sector companies that had quickly retooled to make products unlike anything previously seen on their assembly lines. The John Inglis Company switched from washing machines to gun components. General Motors in Regina retooled to turn out naval guns. The Canadian Car and Foundry in Fort William (now part of Thunder Bay) produced dive bombers. And from the National Steel Car Corporation at Malton, Ontario came the legendary Lancaster bombers.

The architect of the transformation in Canada's manufacturing sector was businessman and engineer C.D. Howe, the government's Minister of Munitions and Supply, who later became known as "minister of everything." During the war, Howe's department handed out government contracts worth billions of dollars, dramatically expanding Canada's industrial and manufacturing infrastructure. In British Columbia, a ship building industry grew. In eastern Canada, steel production doubled. Aluminum smelters were built. Entirely new industries like nuclear power and petrochemicals came into being.

As Denmark, Norway, Belgium, the Netherlands and even France succumbed to Hitler's advance, Canada's military forces and materials were ever more in demand. By late 1942, there were five Canadian divisions overseas. Canadian infantrymen took part in the advance up the mainland of Italy and stormed the Normandy beaches when the Allies landed in 1944 to begin the liberation of Europe.

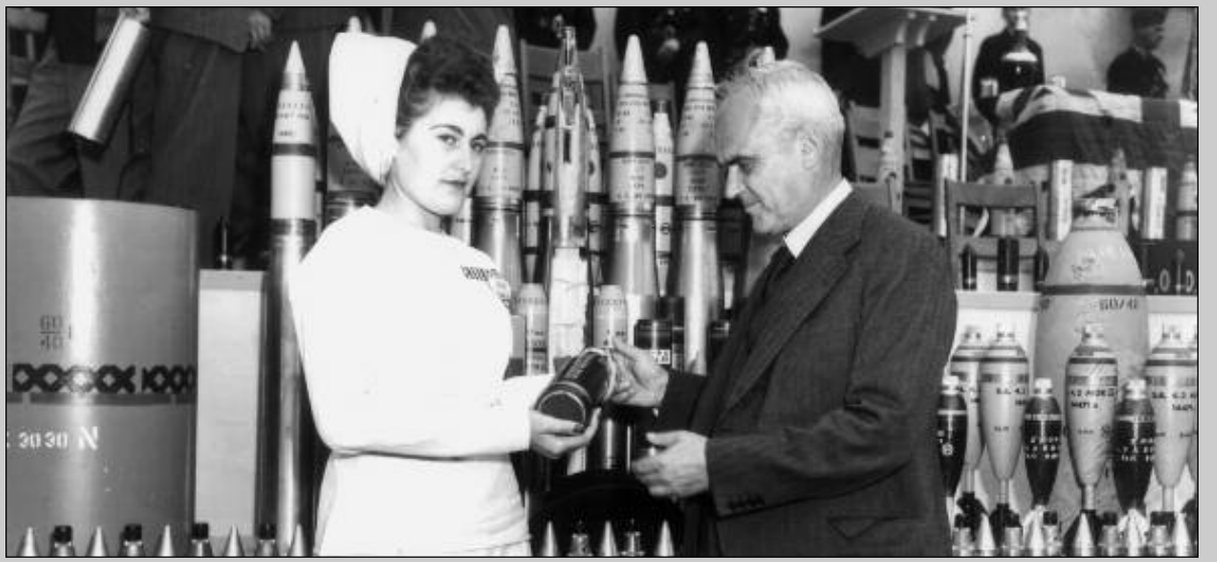
Ultimately, over a million of this country's men and women served in the Second World War, often on the frontlines, with great strength and courage.

The costs of war

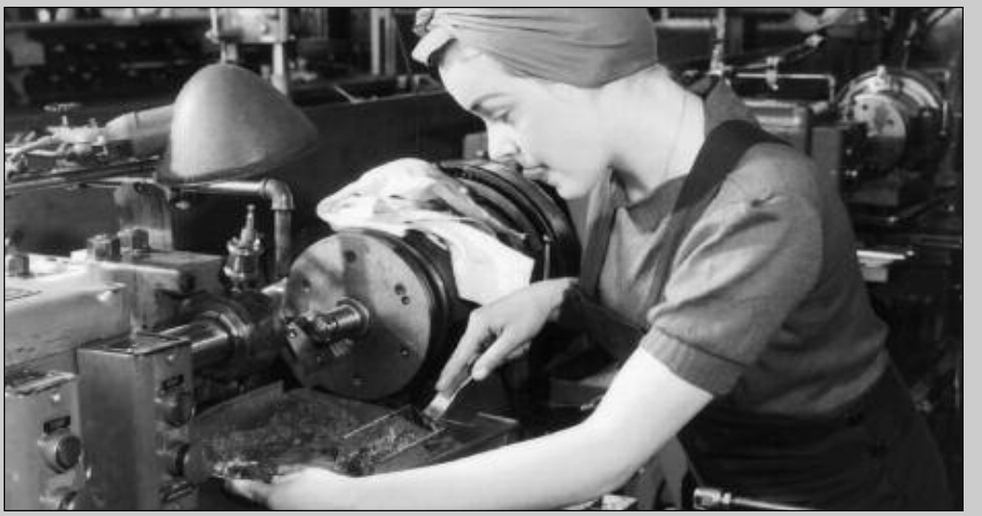
Just as it had a quarter of a century earlier, however, the war effort came at a heavy price. By the time the fighting was over, total Canadian casualties numbered about forty-two thousand. Although significantly lower than the First World War, the numbers included, once again, many of the country's youngest and most promising people.

In financial terms, as well, the costs were high. In all, Ottawa spent more than four billion dollars on the war and Canada's national debt quadrupled.

These were pivotal years for Canada and the federal government's actions were absolutely critical to the success both of the war effort and the adjustment period that followed. As early as 1943, prodded by memories of the unrest following the First World War and by the growing



1942:
C. D. Howe, Minister of Munitions and Supply, visits a war products factory.



1941:
Bren Gun Girl. Young women and many seniors were mobilized as the demand for workers increased.

1941:
Lunch-time break. By 1943, more than a million Canadians were working in the war industry.

influence of the CCF with its strong social agenda, King's government had begun to focus on policies to help the country prepare for peace.

Money for peace

As much as their political leaders, Canadians had feared the end of the war, concerned that it could herald a return to the unemployment and hopelessness of the Depression. Now, having seen the impact the federal government could have when it applied itself fully to a problem, they demanded the same sort of leadership in managing the post-war economy. "The propaganda of the thirties had always been that the government had no money, couldn't do anything about it and that's the way things were," said Joseph Levitt, a returning soldier who later became a history professor. "But the war taught people a lot. It was a matter of common sense and simple to understand that if the government could find money for war, they could find it for peace."

Fortuitously, many of the preconditions for greater government involvement were now in place. Taxation levels had increased dramatically and the federal civil service had more than doubled in size over the course of the war. The huge wartime debt caused few public officials to panic. British economist John Maynard Keynes's theory that government debt encouraged economic growth had become popular during the war. At the same time, the foundations of a New Social Order, as King called it, had been established.

Unemployment Insurance had come into effect in 1941 and, in 1945, the first Baby Bonus cheques began to arrive in Canadian mailboxes, providing family allowances of up to eight dollars a month for every child under the age of sixteen. There were old age pensions as well as provincial assistance programs for abandoned mothers and for the blind, though these pre-war programs continued to be funded parsimoniously.

Programs for returning veterans were administered by the newly established Department of Veterans' Affairs. About 200,000 veterans went back to work with their previous employers, thanks to the dictates of the Reinstatement Act. Another 150,000 used veterans' educational grants to attend university or college. Still others went into farming or fishing using grants offered by the Veterans' Land Act.

The National Housing Act was legislated to guarantee low cost mortgages. An Industrial Development Board began to plan for the retooling needs of Canadian businesses. In all, the government set aside an astonishing amount, some $3.12 billion, to fund the transitional agenda.

Probably the single most important factor affecting the government's ability to manage the transition more effectively this time around was the country's enormously expanded industrial base. Under the guiding hand of C. D. Howe and his team of seconded businessmen, some of them working for token payment of a dollar a year, Canada had emerged from the Second World War as the world's fifth largest industrial power, with dramatically increased export potential.

Success breeds success, particularly in the high wire arenas of political power, and it was only logical that the newly created Ministry of Reconstruction should go to the man who had demonstrated such zeal

1940: Co-operative Commonwealth Federation (CCF) leaders, including a young Tommy Douglas (far left), were a growing political force.

as Minister of Munitions and Supply, none other than C. D. Howe. Tax incentives and write-offs had been the principal tactics used by Howe to convince Canadian industrialists to retool for war production and now he plied the same tools to persuade them to convert to peace-time activities.

Most of the twenty-eight crown corporations Howe's war-time ministry had established were shut down or sold, although he did find ways to protect and extend the activities of two which had added totally new industries to Canada's business landscape: Polysar (petrochemicals) and Eldorado Nuclear (atomic energy). Trans Canada Airlines, established just before the war, also remained under government control.

What was good for business, this time around, was also good for workers. Following a brief slowdown in 1945-46, the nation's industrial output rapidly grew beyond its wartime peak. In factories, plants and foundries, industrial technology had become more advanced, changing the way hundreds of thousands of people worked. It had also created new jobs. The total number of jobs in the manufacturing sector had doubled during the war years, providing employment for some 1,240,000 people by 1946. And most of the 250,000 women who had worked during the war either returned home to their more traditional roles or moved back into the lower-paying jobs they had held before the conflict. At the same time, industrial wages increased, from about $20 a week to over $30. Unemployment held steady at around 3 percent.

Beyond North America, the rest of the industrialized world was in a shambles. As devastated European countries took advantage of the generous financial aid program known as the Marshall Plan offered by the U.S. government, Canadian business also reaped the rewards. In relatively short order, traditional export markets were re-established, and

international trade in Canadian goods and products expanded even further, enhancing the country's position among twenty-three founding nations as the historic General Agreement on Tariffs and Trade was signed in 1947.

State of organized labour

Even Canada's labour movement had been strengthened by the war; wartime shifts in worker supply and demand having bestowed new clout and confidence. However improved the employment climate during the war years, it had not been free of labour confrontations. Companies that refused to accept unions frequently found themselves dealing with slowdowns and strikes. In 1943 alone, some 400 strikes took more than 200,000 workers off the job for periods of time.

As for productivity, there is no question that labour unrest took its toll. In the automobile industry, in textiles, rubber, steel, forestry, electrical manufacturing and mining about 240,000 striking workers were off the job for a total of nearly seven million workdays in 1946 and '47 alone. Tangible gains for labour were made as a result of these actions and it was becoming increasingly clear that industrial workers were no longer prepared to play the role of silent cogs in management's wheels.

By the time it had ended, the Second World War had transformed Canadian society. Individual Canadians saw the world differently. Canada's business community had been completely rebuilt. Workers had demanded and been awarded greater respect. And, in some quarters at least, vocational and career counselling had even become a valued service.

Statistics, psychometrics and "satisfying careers"

The Second World War not only transformed industry and Canadian society at large. It was a pivotal time in the growth of career and vocational counselling, as the field of psychology, a phenomenon of the 20th century, began to emphasize "applied psychology" as counselling was then known. As discussed in Chapter 2, vocational guidance had received some attention prior to the First World War when a Royal Commission was formed, but the wars and economic depression intervened.

"Fitting the man to the job" was a priority for the military. From the first hours of the war until its final days, the effective placement of recruits ranked as a primary concern and classification of personnel was one of many areas in which the still emerging discipline of psychology was found to be of value. Although a new practice in the Canadian military, psychological assessment to assist in the selection and placement of veterans had been in place in the United States during the First World War.

In 1938, with rumours of war growing louder by the day, professors of psychology from various Canadian universities had banded together to form the Canadian Psychological Association (CPA). Their primary objective was to assure that psychological techniques and expertise were used appropriately and effectively during the coming war.

A number of psychologists, all members of this new association, were hired by the RCAF. E. A. Bott, S. N. F. Chant, C. R. Myers, E. I. Signori and D. C. Williams worked together between 1939 and 1941 to develop a variety of assessment techniques and psychometric tests to be used in the selection and training of aircrews for the British Commonwealth Air Training Plan (BCATP).

Late in 1941, when Bott and Myers relocated to England to team up with the RAF, Chant and the others remained to carry out the work required in Canada. A year later, Chant established a directorate of Personnel Selection and Research.

Once the war had ended, the government shifted its attention to the re-establishment needs of veterans and Chant was named Director-General of the Rehabilitation Department of Veterans' Affairs. Many of the tests and assessments he and his colleagues had developed during the war were now adapted to help the armed forces re-integrate military personnel into civilian life.

Most veterans returned home from the Second World War to a hero's welcome. After they had marched in the parades, attended the parties and received the accolades from the Welcome Home Citizens' Committees, finding their way back into civilian life meant finding their way into the right line of work. And the federal government had allocated about $750 million to help them do just that. Ian Mackenzie, the Minister of Veterans' Affairs in 1945, put it this way: "Canada's rehabilitation belief is that the answer to civil re-establishment is a job and the answer to a job is fitness and training for that job. Our ambition is that the men and women who have taken up arms in the defense of their country and their ideals of freedom shall not be penalized for the time they have spent in the services. And our desire is that they shall be fitted in every way possible to take their place in Canada's civil and economic life."

Resuming a life as civilians

Gone were the days when strong arms and a broad back were the primary criteria for work, and "fit" was simply a matter of matching the body to the task. The workplace had changed dramatically in the course of the war and each of the returning veterans had changed as well. Years abroad had given many Canadians their first glimpse of the world beyond their own communities. Most returned with significantly altered perspectives on life and very different goals and aspirations. Many had acquired new skills but they also brought home the internal scars of war; making the transition to civilian life wasn't easy for many.

But for anyone looking for a way back into civilian life, decisions about work and careers and how and where to apply those skills had become overriding concerns. There was a growing recognition that, for many people, some form of vocational or occupational counselling would be critical to their ability to make a successful transition. Canadian industry, for example, had shown considerable interest in the military counselling processes and had even provided information to support their application in the post-war workplace.

Given the enormous numbers the re-establishment programs had to

deal with, the procedures were remarkably effective. Before being discharged, military personnel met with what Veterans' Affairs called "occupational counsellors" who were charged with administering aptitude and intelligence tests and providing information regarding the various government-sponsored employment programs, educational opportunities, land grants and home-building schemes.

RCAF veterans were assisted in their transition by being given a "personnel assessment" which was "essentially, a scientific method of assessment with, as the end result, the discovery of each person's most satisfying type of career," observed E. N. Stanford, writing in the December 1944 issue of *Canadian Business*. "Businessmen have helped the RCAF research, compile employment statistics, build up job analyses and prognosticate (as far as anyone dares) the relative opportunities in each kind of job in terms of pay, promotion, competition and so on."

About one hundred people from within the armed forces had been trained to work as RCAF "personnel counsellors," according to Stanford. These were the people stationed at RCAF bases and in regional demobilization centres who actually did the assessments, provided the necessary information and helped each individual explore the range of options open to them.

Outside of the armed forces, in the offices, plant floors and hiring halls of the expanding industrial workplace, the need for informed counsel regarding work and careers had increased as well, although the government of the day was less inclined to see itself as the appropriate agency to meet it. In the years following the war, therefore, the vocational and career counselling needs of these people tended to fall, as they had for decades, to the agencies that made up the not-for-profit sector.

In 1947, the Soeurs de Notre Dame du Bon Conseil initiated the Centre Social d'Immigracion to assist Second World War veterans and immigrants to Canada who were fleeing the economic devastation in which much of the world had been left after the war. Not-for-profit organizations across the country helped ease the transition of returning servicemen and, to a lesser degree, women back into Canadian worklife.

Vocational guidance and the introduction of applied psychology

The war had still been in progress when Dr. Clarence Hincks, a professional from another related field, mental health, took his personal crusade for better treatment of people with psychological problems to the YMCA. Too many young men were ending up in mental institutions, said the general director of the National Committee for Mental Hygiene, "because they had no where else to go."

What these individuals really needed, Hincks believed, was vocational guidance to help them get a start in life. Once the war was over, he added, demobilized forces personnel would be returning home in need of similar assistance.

Hincks' plea struck a chord with the YMCA in Toronto, which had already identified the employment needs of young men as a problem

area and had been considering ways to become more directly involved. During the war, with many married women working, there was a widespread belief that juvenile delinquency was on the rise. While the statistical evidence suggests otherwise, the belief that young males growing up with fewer parental controls required the aid of social agencies became quite entrenched. In 1943, the Toronto YMCA established its Counselling Service for young men and youths.

"Applied psychology" was not an established course of study in Canadian universities at the time. For Gerald P. Cosgrave, however, a professor in the University of Toronto's psychology department, it was a subject of abiding interest and passion.

Cosgrave, too, was a member of the new Canadian Psychological Association (CPA) and, on the Committee on Aviation, had contributed significantly to the development of tests used to assess aircrews. A quiet, unassuming loner with a postgraduate degree in philosophy, Cosgrave had opted to leave the CPA project in 1941. Conscientious, highly meticulous and fussy, he simply was not cut out for experimental work, according to some of his colleagues. Shortly thereafter, however, when the YMCA offered him a position as the director of its new Counselling Service, it was precisely the sort of challenge in applied psychology Gerald Cosgrave had been looking for.

Gerald Cosgrave

Frank G. Lawson

Cosgrave's approach to vocational counselling began with a one-on-one interview. The process evolved over a series of sessions, which included testing and assessment. All test results were interpreted by a counsellor and subsequently reviewed by Dr. Cosgrave, then presented to the individual in a personal interview and a written report.

It was little more than a year later when Frank G. Lawson accepted the chair of the YMCA's Counselling Service. "I had no idea when I became chairman," the Toronto businessman and stockbroker later recalled, "that this was to be largely the focus of my life for the next twenty years."

Cosgrave's view that psychological counselling was an integral part of vocational guidance found a happy match in Frank Lawson. Lawson was convinced that young people needed guidance in three different aspects of their lives. First, he felt they needed what people in the vocational guidance movement advocated—to discover the kind of work they were able to do and would enjoy. Second, many also required education or training to strengthen their abilities. Finally, he said, young people often needed help in dealing with negative attitudes that might otherwise hold them back.

Working with Cosgrave, Lawson quickly became a fervent supporter of the counselling process. Before they were finished, the two would spend all of twenty years together at the helm of the Toronto YMCA Counselling Service, forging a partnership that would contribute

significantly to the development of career counselling theory and programs in Canada.

At its best, the vocational or occupational counselling available to people in the post-war years was supervised by trained psychologists, as it was in the Toronto YMCA's Counselling Service and the Jewish Vocational Service. Sophisticated vocational counselling services such as these were rare in Canada, however.

Thanks to the booming economy at the time, unemployment was low and the need for guidance and direction on the part of average workers was perhaps not as apparent as it had been just a few years earlier. It still existed nonetheless and, aside from the efforts of agencies such as the YMCA, YWCA and the Jewish Vocational Service in major cities as well as Montreal's Soeurs de Notre Dame, the need was largely unmet.

Out of the forces and back to school

If the wave of change set in motion by the war and its aftermath had a transforming effect on government, business and workers, its impact was even more pronounced on institutions of higher learning. In three short years, between 1944 and 1947, Canadian university enrollment doubled, as 150,000 veterans poured out of the military and onto campuses throughout the nation. The post-secondary educational system had never seen anything like it and, by the time the wave had passed, it would never be the same again.

Believing that Canada's universities represented the best way to offer educational services to veterans, Ottawa provided funds for programs aimed at the needs of the returning forces personnel. Across the country, Canadian universities expanded to meet the growing demand, adding staff and faculty and, in some cases, new facilities.

"Every college from coast to coast is bulging like a football stadium on a fine October Saturday afternoon," was how Gerald Anglin described it in *Maclean's* magazine on March 1, 1946. "Because [the University of Toronto] is Canada's largest university—almost double the size of any other, with 5,000 ex-servicemen boosting enrollment from 7,000 to 13,000 in the past year—Toronto's problem is the biggest."

In fact it was even more than Toronto could handle, as the downtown campus was simply too small. A satellite campus was established in nearby Ajax in a converted munitions plant, one of the many new factories that had sprung up in the area during the war.

Montreal's venerable McGill University mushroomed in a similar way, its total enrollment growing from 3,700 to 6,300. It too set up a branch operation, named Dawson College, twenty miles outside the city. Overcrowding was experienced on Canada's west coast as well, at the University of British Columbia, where some of the 7,000 students were required to attend classes in army huts that had been erected on campus grounds.

But classrooms in which to accommodate the swollen numbers were only part of the dilemma that confronted universities in these years. Institutional procedures and instructional techniques were affected as

1947: Montreal's McGill University saw its classrooms swell with war veterans eager to learn new skills that could lead to employment and better futures.

well, as administrators and faculty were confronted for the first time with a very different breed of student—adults.

"As teachers we had a new type of challenge," said one professor at the University of Toronto. "A student with a realistic background which we respected, and with a purpose that was his own, as well as society's; one that had a little more urgency in it, in terms of time, than that to which we were accustomed."

The "Veteran at Varsity experience," as he called it, was "thrilling" for the academic community. But there were significant new stresses, as well. "We were conscious of queues for library books; of inadequate time, on our part, for research and on his part, inadequate research settings. Books often had to serve where original articles would have been better. Discussions gave way to lectures. The professor often had to adjust to a public-address system for the first time."

Despite such blocks and bottlenecks, teachers had done everything in their power to ensure that the needs of each individual were met. "If he didn't make good," said the professor, "he lost his Department of Veterans' Affairs support and that was disconcerting to all of us."

In order to ensure that veterans returned to employment as quickly and effectively as possible, the federal government established "placement services" on some university campuses. While the universities provided the specifics of education, the overriding concern in these government offices was to match workers (supply) to current and forecast jobs (demand), reflecting the same manpower planning policies that had been in place a quarter of a century earlier.

The Department of Veterans' Affairs also insisted that universities

establish advisory services and appoint staff counsellors to inform veterans about their entitlements and provide counselling—especially regarding their work and careers. While some services were provided through such facilities during those years, few people were skilled in this specialized area and little vocational counselling was actually offered.

Occasionally, there were alternatives. The country's largest university, the University of Toronto, first set up a University Advisory Bureau and then, in 1948, a Placement Service of its own. "A group of colleges in the eastern United States had functions like this before we did," according to the Service's first director, Colonel J. K. Bradford. "And the purpose was the same. So I contacted them and we set up the centre in a similar way."

An engineer with a background in business and a returned veteran himself, Bradford was well positioned to head it up. "When industry heard about it they were very supportive," he recalled. So supportive, in fact, that in the Placement Service's first year of operation, forty-four companies visited the campus and conducted over three thousand interviews.

As in the government offices, job placement was the primary concern of the staff at the U of T centre, although some counselling was available for students struggling with adjustment problems and educational anxieties. Whenever a student's problems appeared to involve "real mental health matters," however, he or she was referred to the University Health Service.

Colonel Bradford recalls meeting with over ten thousand students in the nineteen years that he was Director of the Placement Service at U of T. His recollections of the meetings he had with students during those years provide a snapshot of the sort of lay counselling that professionals like Bradford offered people in need of vocational guidance.

"I found that all men had different personalities," he says. "And what was one man's choice wasn't another's. I wasn't a psychologist so I couldn't tell people what to do. I intentionally did not counsel them. It was my job to chat with people. I sat and listened. And they asked all the questions.

"I just helped them start. They did the work themselves. But I was speaking to people in industry all the time, so I knew where the jobs were. Today it's quite different. It's broken down into career planning and job listing and placement. But at the time we just talked with people and helped in any way we could."

Industrial growth and the welfare state

In such a manner, the fundamentals of career counselling were being conceived and born, even as the currents of economic change picked up all those people—veterans, graduates, counsellors, educators, businessmen, workers and politicians alike—and swept them into the longest sustained economic expansion the country had ever known.

Within a matter of ten years, five of them at war, the hardships of the previous two decades were largely erased. The western industrialized world was triumphant again and Canada had claimed her place in it.

Industry was now decisively in the driver's seat and the country was enjoying the ride. The economy expanded steadily as new industries sprouted and traditional industries powered up and grew. Jobs were abundant, more were being created.

Canada had become a "middle power," with a presence in NATO and a seat in the United Nations. It was a respected, confident nation. Manufacturing was the new powerhouse—manufacturing products on the retooled assembly lines that had themselves been retooled for war.

Canadians began their love affair with the automobile, as thousands upon thousands of Fords, Chryslers and Chevrolets rolled off the assembly lines in Oakville, Windsor and Oshawa.

Propelled by the new petrochemical industry, manufacturing entered the age of plastics and new products popped up on department-store shelves. The world of fashion got polyester and other synthetic fabrics. Housewives got clear plastic wrap for their leftovers.

These were the first years of the media explosion, with television sets placed in living rooms and small radios crackling on kitchen shelves. A steady stream of news, information and popular shows began to pour into Canadian households, much of it originating in the United States.

Highways were constructed, with major cities often at the hub of a network of roads. The Trans Canada Highway was completed in 1949. In Toronto, in 1954, the country's first subway went into service, at a cost of $54 million. Trans Canada Airlines was transformed from a military company to a company offering commercial flights. And everywhere industry sprouted, jobs were created.

Pent-up demand for homes converged with the long-term, low-cost mortgages offered under the National Housing Act to spark a construction boom and the country's major cities experienced a new surge of growth.

The federal government took more steps toward making Canada a "welfare state" removing the means test from old age pensions in 1951 and introducing a system of universal health care in 1958. The federal cost sharing and supplemental assistance program was introduced in 1956. Nova Scotia and New Brunswick at last agreed to phase out poorhouses and allow the destitute to receive benefits in their communities.

The consumer credit age began in 1951 as Diner's Club issued North America's first multi-use credit cards, outside of those issued by specific department stores. And there was plenty to buy: electric appliances like toasters and frying pans; Polaroid cameras to capture family birthdays; and drop-down record players to spin the hits of recording artists. From the pharmaceutical companies came antihistamines to combat allergy problems and penicillin to fight infections.

A new addition

The fourth decade drew to a close with the historic addition of Newfoundland and Labrador as Canada's newest province. After much debate and skepticism, a slim margin of votes brought the residents of this island in the mid-Atlantic into the Canadian fold. With its rich and colourful history, this new addition also brought to the Canadian table

tremendous natural resources including fish and oil reserves.

Much of Canada's new prosperity was purchased with U.S. capital. American investment flooded north into Ontario's industrial heartland, then further north, into Quebec and Labrador, in quest of iron ore. American money helped finance the building of the St. Lawrence Seaway, Quebec's hydroelectric industry and railways into northern mining communities. It found its way, as well, to Alberta, where the 1947 oil discovery in Leduc began an oil and gas boom that would eventually make that province one of Canada's wealthiest.