

*The Address—Mr. MacEachen*

on the great lakes. Within three days it was possible to have the seamen return to their ships, and shipping continued from then until the waterways closed early in December.

I think we can all view with satisfaction the tremendous job of moving the grain from our prairie provinces to both eastern and western ports for reshipment. There was a good deal of speculation that our commitments would not be fulfilled. We can now look back and see that the job was accomplished.

In due course I shall have a report from the board of trustees on their administration of the five labour organizations under trusteeship. This report, of course, will be tabled in the house at once. As hon. members are aware, the act provides that a report shall be transmitted to the minister within three months after the termination of each year. There are some who have indicated impatience with the decisions and actions of the trustees. It must be remembered that they are dealing with a most complex and difficult situation. Employer-worker problems can be serious enough, but when to those are added inter-union problems coupled with inter-employer problems, the situation is much more serious.

It is to be regretted that to date the efforts of the trustees to bring shipowners together in some form of association for the purpose of improving employer-worker relations apparently has not succeeded. I am hopeful it will be possible to do this on a voluntary basis. It is a most important step toward achieving long range goals in this industry. Members of the house will have been encouraged, as I have been, by recent expressions of support of the trustees by responsible union and business leaders. I am confident they are giving serious and conscientious attention to their task. It is essential that this house put its confidence in them. We must express patience, too, and not expect a most difficult situation to be resolved in a short period of time, especially when we reflect upon the origin and development of the situation that led to the appointment of the trustees.

**Mr. Douglas:** May I ask the minister a question? If it is not possible to get a voluntary association of shipowners, does the minister intend to follow the suggestion we made at the last session and bring the shipping companies under the trusteeship, as has been done with the unions?

**Mr. MacEachen:** I hope, as I said in my statement, the shipowners will come together voluntarily, because I think this is a very important matter. I would not want, at this

point, to indicate what the policy of the government would be at a later stage on that score.

In the statement I made in the house last June, and to which I have already referred, I indicated that a number of measures would be taken to promote employment and manpower development. One of these, I said, would be to strengthen the personnel resources of the agencies responsible for the administration of manpower programs. Recognizing the key importance of the national employment service as the principal operational agency in helping the labour market to function effectively, some 362 additional positions in this service have been approved and are presently being filled.

Various aspects of the Department of Labour's work, particularly in technical and vocational training, rehabilitation and research, have also been strengthened. At this time I should like to announce that the government has decided to implement the recommendation of the Gill committee of inquiry into the Unemployment Insurance Act that the administration of the national employment service be transferred from the unemployment insurance commission to the Department of Labour. In making this recommendation the Gill committee stated:

—that the national employment service be transferred to the Department of Labour as a necessary move to co-ordinate efforts relating to manpower policy and employment programs—

The primary reason for this transfer is to develop an integrated approach to implementing manpower policy and programs in Canada, and to correct the negative image from which the employment service suffers in the public mind from its close association with the payment of benefits to the unemployed. In making this decision I want to say that there is no criticism of the present administration of the national employment service. The unemployment insurance commission has applied its best efforts within the existing administrative organization and in the light of the limitations that have existed in respect of staff and facilities. The decision has been made rather in order to co-ordinate in the Department of Labour, as the Gill committee recommended, those services which are concerned with the development of manpower policy as well as those concerned with the organization of labour market.

I am sure that we all agree that a strong employment service can have an important impact on the national economy. Positive solutions to the problems of unemployment must be developed, and these in turn can well remove some of the pressing problems facing the unemployment insurance administration.