

The sustained and unbalanced commitment to institutional training is a distinctive feature of federal Manpower Training programs in Canada. The Economic Council drew attention to this in 1971. At that time in the United States about 80 per cent of federal training expenditures were devoted to training and 'work experience' in industry. The United Kingdom and several other industrialized countries placed a similar emphasis on training-in-industry. This comparison led the Economic Council to observe:

The heavy—in fact, almost exclusive—emphasis on institutional training in Canada is difficult to understand when experts generally agree that, for many occupations and for many individuals, training-in-industry appears to be preferable.²

Officials pointed out that expenditures by the Division on industrial training had risen slightly from the level of five per cent in 1971. The Division has been cautious about expanding industrial training expenditures because such assistance might be construed as a concealed subsidy to employers. The official view is stated in the forward to the pamphlet describing this program to employers:

Employee training is, of course, the responsibility of the employer. Nevertheless, financial incentives to training-in-industry are a sound investment for the Government of Canada in terms of economic and social benefits.

Reimbursements of an employer's expenses are determined on a scale. If he agrees to give priority to training of special needs clients he is reimbursed for up to 85 per cent of their wages during the period of their training. Previously unemployed adults or those whose continuing employment is threatened who are accepted for training by an employer will have 60 per cent of their wages reimbursed. If a training program for employees already on strength is approved, 40 per cent of the wage bill will be met from federal funds. The maximum paid by the Division towards the wages of an employee is \$130 per week. All costs incurred by the employer for any classroom portion of industrial training are reimbursed by the Division. The provincial authority must approve the content of all courses.

No detailed statistics relating to the labour force status of industrial trainees after training was given to the Committee. A short table for 1973 indicated that overall 79 per cent of them were employed when surveyed, 48 per cent having remained in the employment of the firm where training had been given. Fourteen per cent were unemployed and seven per cent were shown as no longer in the labour force. (9:64) This suggests that opportunities for employment are enhanced to some degree for those who train in industry over those who take institutional skill training.

Employers' Complaints

Employers were asked by the Committee if they had taken advantage of the Industrial Training Program, if they had experienced any difficulty in obtaining grants and if in their view the training assisted by these grants had

² Economic Council of Canada, *Eighth Annual Review*, 1971, page 104.