

OVERNIGHT CANADA DU JOUR AU LENDEMAIN

Technology gap called urgent national problem

By JAY BRYAN
 of The Gazette

The technology gap between Canada and other major trading nations is "an urgent national problem of major proportions," the Economic Council of Canada says in a report made public yesterday.

The report on innovation and job creation, based on more than two years of research, concludes that Canadians' standard of living could be jeopardized unless government, business and labor make a national commitment to speed up the introduction of new technology in industry.

Business and labor leaders said they largely agreed with the council's recommendations for improvements to Canada's educational system, more consultation between management and labor and better support for workers displaced by industrial restructuring.

"I totally agree with what they are saying," said Laurent Picard, chairman of a major federal study on Montreal's economic development prospects.

The Picard report, made public last November, said encouragement of high-technology industry should be a key part of Montreal's development strategy.

Quebec, with its many small, labor-intensive manufacturers, is vulnerable to the disruption brought by new technology, said Picard. But it is also particularly well-placed to benefit from it because of the flexibility and entrepreneurial verve shown by the province's young entrepreneurs, he said.

"I believe Canada simply does not have a choice" about embracing technological change, said Branko Matic, chairman of Matrox Electronic Systems Ltd. of Dorval. "Either we will move ahead or we will fall behind our competitors."

That comment echoed one of the main themes of the council's report: that if Canada is to maintain its high standard of living, it does not have the luxury of deciding whether to accept the disruption and job loss that will come with new labor-saving machinery and techniques.

400 employees now

But there is also good news: the belief that technology destroys jobs is a myth, the council's research indicates. While jobs will be lost in many areas because of new technology, more jobs will be created in other areas, and the new jobs will tend to be better-paid.

Matrox is one example of how technology can be a job-creator. Matic said the company, which makes specialized computer systems, has grown to 400 employees from 50 six years ago.

But Matic said he has grown skeptical about the sincerity of governments' commitment to technological innovation. "It's like apple pie and motherhood. They say they are all for it, but the results are not there."

Matic noted that Prime Minister Brian Mulroney came into office promising to boost Canada's feeble national effort in research and development, but the Mulroney government has actually slashed federal spending on research.

Labor leaders agree

Labor leaders said they agreed with the council's assertion that labor doesn't really oppose technological change so much as the imposition of such change without consultation.

"Unions are not against new technology. On the contrary. We have to introduce new technology," said Monique Simard, first vice-president of the Confederation of National Trade Unions.

But there are problems, she said. "What is certainly true is that generally employers do not adequately inform unions or employees of their plans. That is a big problem," she said.

Fred Pomeroy, president of the Communications and Electrical Workers of Canada, said he agreed with the council's stress on the need for better-educated workers and better government programs to help displaced workers.

"We've got too many people dropping out of school," he said. "They're not going to be employable" in an economy dominated by information-processing rather than assembly-line jobs.

As well, Pomeroy said, "we just don't have adequate government programs for retraining to get people into another line of work," which makes workers more apprehensive about how technology will affect them.