

*Employment Tax Credit Act*

to shift the emphasis in the program from institutional training to industrial training. I can also tell the hon. member that I have had very specific negotiations with the province of British Columbia through representatives of the minister of labour there concerning their new apprenticeship program. Our hopes are that out of the additional \$10 million which will be put into the critical training skill program, some of the money could be used in the new apprenticeship program under discussion in British Columbia. There have been two meetings with the minister of labour of British Columbia and our officials are now meeting. I hope to have further discussions when I am out in British Columbia at the beginning of next week.

**Mr. Oberle:** Mr. Chairman, I recognize that the minister is taking this question rather seriously and that he has had discussions with the provincial governments. The question is, has he had any discussions with industry? Whenever I advance this idea, the point is always raised that unions would not go along with it and that industry is not interested. From my experience as an industrialist and from talking to other industrialists, I find the contrary to be the truth. Industry is interested but they need the help and support of government to bring together a sort of tripartite approach which also involves labour and government. It does not matter how many institutions we build, skills and technology change so fast that we will always be behind the times. In the context of modern industrial development, only industry can train the people it requires. Of course, we need to back that up with some institutional training and schemes such as the one we are debating today for tax aid to industry for apprentice training and so on.

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We also need to get the unions behind this. They would like to have two positions for every apprentice that is being trained, of course. Unfortunately, they have been very shortsighted about this. We politicians may talk forever but unless we bring the other two partners into the scheme nothing will be achieved.

Has the minister discussed this matter with his colleagues and are any discussions going on with labour and industry in regard to it?

**Mr. Axworthy:** In the past month or so, Mr. Chairman, I have met with representatives of the aerospace industry, mining groups, the Canadian Manufacturers' Association, automobile workers and the CLC to discuss the question of how to develop new training programs. Within the next week I shall meet with people in the oil resource industry. We have also met with the employers councils in British Columbia to discuss the matter.

We must try to develop a review of the kinds of financing to be used for training programs. The hon. member suggested that the levy grant system used in Europe, where there is a sharing of training costs among industrial groups be considered and I must tell him that we are setting up joint task forces composed of people from my department and from industrial areas.

One of the most useful blueprints for that came under the sector approach that the minister of state for economic development took 18 months ago when there was an examination of skill requirements industry by industry. Some fairly good information came out of that which is now being used as a basis for discussion and negotiation.

I intend to meet as many industry groups as I can to deal with the strange paradox of having 900,000 unemployed at the same time as a growing shortage of skilled labour. We must find a way of transferring those who are unemployed into the areas of demand which require high skills. That is what we are looking at right now.

**Mr. Waddell:** Mr. Chairman, I want to say that I was rather shocked at the remarks of my very good friend, the hon. member for Eglinton-Lawrence. It did not sound like him at all, as he is normally so positive. I concluded that he must be suffering from some malady like the 'flu or the grippe or a little dose of western Canadian liberalism! Perhaps he is sitting a little too close to the minister. I hope that the attitude of the minister will not wash off on the member.

I have only observed this debate fairly briefly, Mr. Chairman, but it seems to me that the minister could get the bill through more rapidly if he were less chippy in his answers and more forthcoming. I also listened intently to the remarks of the hon. member for Lac-Saint-Jean. While I agree with some of his remarks, I find it rather odd that he seems to take the view that Canada is in a rather good position in terms of unemployment. He said that his area had 15 per cent unemployment, which I would think is totally unacceptable. I cannot believe that he accepts that. I think he said Canada had one of the best employment rates in the world. Unless I am wrong, France, West Germany, The Netherlands and even the United States have better rates than Canada. In other words, Canada has more unemployment than they have. I reckon the real Canadian unemployment rate is somewhere near 12.4 per cent. I simply say that rate is not acceptable.

It seems to me that the hon. member for Hamilton Mountain was right when he said that this bill is rather short term or cosmetic in its approach and that we should look toward a long-term industrial strategy—which does not seem to be evident—and a guaranteed minimum annual income in this country. I wonder if the minister has examined the Humphrey-Hawkins proposal in the United States. They said they would not accept 12 per cent or 15 per cent unemployment but would set a rate of 3 per cent or 4 per cent and guarantee everybody a job. This is the most forward-looking legislation I have seen. I wonder if the minister has had a chance to look at that bill. Is he prepared to consider that kind of procedure?

**Mr. Axworthy:** Mr. Chairman, unfortunately, in the United States system there is a division of powers, which means that legislators can sometimes go on at great length and pass bills which the administration then does not implement. In the last statistics published, the unemployment rate in the United States is shown as being equal to ours. While the Humphrey-Hawkins bill has a very important objective, I would point out