

The Address—Mr. MacEachen

I also indicated last June that a significant part of the manpower program of the government is to assist labour and management to meet jointly the employment problems caused by automation and technological change, and that to this end a manpower consultative service would be established in the Department of Labour. Plans for this new manpower consultative service have progressed steadily and we expect it will be operational shortly. The Department of Labour, in co-operation with the civil service commission, I am pleased to say, has been able to obtain some well experienced persons to man the service. The staff will not be large, but it is essential that they work closely with senior people in industry and in other federal and provincial government agencies.

Mr. Speaker, may I now say a word about the older worker employment and training incentive program. This program is a new and experimental approach to assisting unemployed older workers 45 years and over. The response from employers since the program began on November 1 has been steadily increasing. A simplification of some of the conditions under which the incentive of up to \$75 a month is made available has helped in this respect. To be eligible, older workers do not now need to have exhausted their regular unemployment insurance benefits, and the training on the job requirements have been reduced.

During the first three months of the program some 1,000 applications have been made by employers. Over 70 per cent of these have met the requirements and have now been approved. In all, by the end of January, nearly 500 positions had been filled with older workers who qualified, and placements are continuing. Many national employment service local offices are reporting increased interest in the program, especially on the part of both older workers and employers. The program, as I stated last June, represents a new and experimental approach to a serious and continuing problem. We are watching it carefully to see what lessons we can learn from it and what further modifications may be needed as we gain more experience.

The winter house building incentive program, which is another new program, has proved highly successful. Although unfamiliar to builders and consumers when it was introduced last summer, it has quickly gained acceptance. The program has made a substantial contribution to the reduction of winter employment which, of course, was its principal objective. A total of close to 30,000 applications have been accepted for the \$500 incentive available to purchasers of winter built houses. These represent over 34,000 individual

dwelling units which are being constructed under the program. The total value of these dwellings, Mr. Speaker, is over \$493 million, and if they all qualify by March 31 the total incentive payment will amount to more than \$17 million. It is estimated that more than 100,000 workers are employed directly on site this winter on housing units, with an even larger number engaged in the manufacture, sale and transportation of building materials. Almost 1,000 final inspection certificates have already been received covering houses that have been completed and have satisfied the provisions of the program. Payments are now in the course of being made to those whose houses have qualified.

Mr. Douglas: May I ask the minister if it is the intention of the government to continue this program next year?

Mr. MacEachen: We have not given consideration to this, but in the light of its success I would judge it ought to be looked upon favourably as a further measure.

The government in the announcement last June carried out certain changes in the municipal winter works incentive program with the object of making the program more effective. Perhaps the most important change was restoring the program to its original six month period and making it a truly winter employment program. In addition, the ceiling on the federal incentive payment for buildings and major renovations was raised from \$50,000 to \$100,000, and the incentive payment was raised from 50 per cent to 60 per cent of direct payroll costs for municipalities in areas of high winter unemployment and designated development areas.

So far this winter some 100 more municipalities are participating in the program, 22,000 more workers are expected to be hired on site, and 700,000 more man days of work are expected. In sum, the program has concentrated much more work in the winter period, when it is most needed, rather than stretching out less work over a longer period than is required to combat seasonal unemployment.

Members of the house will recall the supplementary federal government winter construction program. This program was designed to create greater employment opportunities in designated development areas and in areas of high winter unemployment. The total costs of the projects brought forward under this program to March 31, 1964, are estimated to be something over \$8 million, financed in part from regular estimates and in part from a special appropriation of \$7 million. It is estimated that these construction projects will provide 2,270,553 man hours of