
CHAPTER 2

A PUBLIC EMPLOYMENT SERVICE IN AN EVOLVING WORK ENVIRONMENT

The programs administered by the Manpower Division of the Department of Manpower and Immigration are the principal mechanism through which an explicit federal response to current economic conditions relating to employment in Canada are put into practical effect. It was therefore important, in the Committee's view, to develop an appreciation of the present character of the labour force in Canada as a basis for any comprehensive examination of the effectiveness of those programs. Several witnesses, with varied interests and expertise in manpower problems, came before the Committee to share with it their views on a number of aspects of the world of work which are undergoing fundamental changes. These changes have had broad implications for the formulation of manpower policy and have influenced the thrust of the Division's activities. Indeed a review of the nearly 300 titles listed by the Strategic Planning and Research Division (a separate analytic service for the two operational Divisions of the Department of Manpower and Immigration) shows that their program of consultant studies has been directly responsible for a good deal of the research documenting these trends.

The Committee began its hearings early in February 1975 as the national employment rate rose above 7% (seasonally adjusted), the highest rate reached in fourteen years in Canada. It has remained over 7%, and according to all forecasts is unlikely to be significantly reduced in the foreseeable future. At the same time there existed the apparent paradox of well-publicized and substantial, if localized, shortages of labour. The traditional relationship by which the supply of jobs available affects the degree of unemployment has altered. Achieving a match between available people and available jobs has clearly become more difficult.

The work force in Canada by mid-year 1975 had just passed the ten million mark. The rate of growth in the labour force in Canada over the period 1963-73 exceeded that of all other industrialized countries. In those ten years employment in Canada grew by 43 per cent. (18:5) While young people entering the labour force provided a major element of growth, a significant percentage is accounted for by the increasing number of women joining the work force. Women now constitute 35 per cent of the Canadian labour force. (18:8) The educational level of the work force has also increased. By 1981 close to two thirds of Canadian entrants into the labour market will have at least high school education. (18:26)