

projects which will have long-term beneficial effects and will provide a valid job experience for young people.

[*English*]

The government will also be setting aside \$50 million, obtained through reductions in some programs, to finance economic development projects in areas of high unemployment, a significant proportion to be directed to regional areas, primarily in eastern Canada. The specific projects are now under final review and details of the federal proposals, subject to further consultation with the provinces concerned, will be announced soon. They will include small craft harbours, fishing vessel assistance, fish-handling facilities and technological development in Quebec and the four Atlantic provinces.

Let me talk for a moment about the shortage of skilled labour in Canada. Immigration may be an appropriate response to assist the private sector when there is absolutely no other way to fill an immediate labour force need. But a much better and longer-term solution is to give high priority to the training of Canadians in the highly skilled occupations which are or will be in short supply.

Despite the need for restraint in other areas, this government will be maintaining the regular industrial and institutional skills training programs which have proven to be so valuable. In 1980-81 we shall be allocating about \$610 million, plus up to \$196 million in unemployment insurance benefits, to support industrial and institutional training. Moreover, this government will be increasing financial expenditures to help industry overcome critical trade skills shortages. The critical trade skills training initiatives will be funded at \$20 million over the next fiscal year, double the amount provided by the previous government. Under this program the federal government will make financial support available to employers willing to train Canadians. For such employers the support will be for a maximum of two years or half the training time, whichever is less.

As with many programs, the success of this one depends on the willingness of employers, with the support of union leaders, to establish a training capability and to select workers for training. I have already indicated that there is a demonstrated willingness on the part of employers, the labour movement and governments to work together and plan for the future. A good example of this is the establishment in Ontario of a large number of local industrial training advisory committees during the past year. These groups are charged with identifying manpower problems and working toward their resolution at the local level. This is the type of initiative to which we intend to give out full support.

In keeping with the government's intention to ensure that key activities come back to this House at regular intervals to justify their continued need to exist, a sunset evaluation report on our new private employment incentives program will be laid before Parliament after two years. This means, in effect, that there will be the option to end the program after two years. Whether the program continues or not will depend on the results of the evaluation and on what Parliament feels should be done. In any case, it will lapse automatically after three

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years unless Parliament resolves to continue it for a further period of time.

I mentioned earlier that there are individuals who many employers are reluctant to employ. For such individuals the local employment assistance program is functioning successfully as a vehicle to increase their self-sufficiency. It has been shown that participation in a project funded by this program increases the employability and earnings of more than half the clients. A recent cost-benefit study of the program indicates that for every dollar invested Canada is getting over two dollars in return. That is why we are continuing this program. It is clear that the local employment assistance program is an extremely worth-while program which merits the expansion planned. This program will be a major element of my department's programs for native Canadians. More than half the program funds will be allocated in such a way as to encourage the development of long-term jobs in native communities.

By developing these programs and by ensuring that the major components will be subject to sunset review and lapsing clauses, we have maintained the flexibility which will be needed to shift the balance between programs, and the specific problems they address, as circumstances change. One of the things we can foresee now is that the labour force will "age" as we move into the 1980s. The "baby boom" generation will enter the adult age group, reflecting the birth rate decline which started in the 1960s. It will not be fully replaced by new youth of working age. The critical nature of the youth unemployment problem can be expected to ease as a result of these developments, as well as because of the programs we are initiating. As this occurs, it will be necessary from time to time to reassess the situation and possibly to shift the balance so as to direct emphasis to other priority areas.

As my colleague, the Minister of Finance said last evening, the eighties are not going to be easy years. The impact of major changes in the labour market in both the rate and nature of technological change and in the needs of Canadians as they go through the life cycle will generate substantial challenges. This government is ready to meet these challenges and I believe the measures I have just described will move us firmly in the right direction.

Above all, however, I would like to underline that although this government is prepared to take policy initiatives and back them up with dollars, the government cannot do the job alone. In the final analysis it is up to the entrepreneurs and businessmen of Canada from both large and small businesses to generate the economic activity which will open up employment opportunities. Our function as a government is to play a supportive role and help create a climate in which individual Canadians are willing to make the judgments and take the risks which will allow the real potential of our economy to be realized. I am sure all members will agree that given this country's combination of human and natural resources, our potential is considerable indeed.