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## CHAPTER 1

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### AN INFINITELY FLEXIBLE AND SERVICEABLE INSTRUMENT: THE OBJECTIVES OF MANPOWER POLICY IN 1975.

The Department of Manpower and Immigration was formed in 1966 by uniting a group of services devoted to the development and utilization of manpower previously located in the Department of Labour with the Immigration Service.

The forerunner to the Manpower Division, the National Employment Service (NES) was established in the early 1940's as part of the Unemployment Commission. The NES was primarily concerned with processing insurance claims. While it had been designed to assist the unemployed in finding suitable employment, it served mainly as a watchdog for the UIC, ensuring that claimants were not trying to cheat. These shortcomings of the NES were noted in the Report of the Commission of Inquiry into the Unemployment Insurance Act (the Gill Report)<sup>1</sup> published in 1962. The Gill Report recommended a thoroughly revamped employment service along the lines of the model employment service as set out in the International Labour Organization's Convention 88, Article 6, which Canada had ratified in 1950.

The Economic Council of Canada in its *First Annual Review* (1964) also found that the NES was failing to achieve its potential role. The Economic Council reaffirmed the Gill Committee's recommendation to place the NES within an operating department and emphasized the need to give the NES the highest possible stature. The NES was at first attached to the Department of Labour where the Manpower Training Program and the Mobility Grants Program were then administered. Upon the formation of the new Department on January 1, 1966 (with effect the following October) all of these were detached from the Department of Labour to become the Manpower Division.

The creation of the Department of Manpower and Immigration gave effect to the decision that Canada would adopt the approach to an active manpower policy promoted by the Organization for Economic Co-operation and Development (OECD). This approach discarded the traditional notion of a public employment agency which provided only a job-matching service. It conceived manpower policy as an economic policy which would be given effect by the provision of a full range of services for the development and utilization of manpower resources.

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<sup>1</sup>*Report of the Committee of Inquiry into the Unemployment Insurance Act.*, Queen's Printer, 1962, pages 190-191.