

Supply—Labour

also in government, must make every possible effort to contribute to and build a new environment within which a free and responsible collective bargaining system can flourish. If suitable conditions are not prepared for the encouragement of these new attitudes, how can the industrial relations community expect to deal with other crucial matters concerning the future which were borne upon us by some of the experiences of last year?

Mr. Chairman, I must say that there is ample evidence that the labour force in Canada, now over 7.5 million strong, is rapidly beginning to change its basic composition. It is already beginning to alter materially its industrial occupational and geographic structure. There is a steady and great shifting from the traditional goods producing industries to the rapidly expanding service industries which are characteristic of today's bountiful society.

There is also an influx of youth with more education and with a new and different set of values, with no fears of unemployment, no history of any industrial depression and with a highly developed sense of mobility. It is evident that the provisions of collective bargaining will continue to be extended to an ever-increasing number and diversity of citizens including white collar and professional persons. There is every indication that the growth of union membership in Canada will most likely maintain its recent level of between 6 per cent and 7 per cent per annum and indeed might well escalate more rapidly over the next few years. In this connection the house will recall that by its own action this parliament has added 200,000 members to the collective bargaining and union community in the form of the federal civil service. The impact of technological change will continue to be a growing concern to both management and labour in the resolution of the problems caused by its impacts on employees and efficiency.

Another factor that must be taken into consideration for labour relations is that during the first quarter of 1967 immigration rose by 50 per cent compared with the same period last year, which in itself was the second highest immigration year in Canada's history. It is reasonable to assume, based on our past experience, that these welcome new citizens who have entered the labour force will bring with them attitudes and concepts from their own native lands. An increasing number of the men who are active in the labour field come from other lands and bring with them the benefit of their experience.

[Mr. Nicholson.]

Another interesting factor is that during the fiscal year 1966-67 the number of people working as employees in the non-farm sector of the economy increased by nearly 5.5 per cent. This was the fourth successive year of increases in excess of 5 per cent, a remarkable record considering that population growth rates have averaged less than 3 per cent annually. In the process of making these large increases in their work forces, employers have absorbed the more readily available labour. The surplus situation which existed a few years ago in 1958, 1959, 1961, has virtually disappeared in most areas in Canada, although, regrettably, there are one or two areas where the situation today is not good.

Another method of attempting to comprehend the Canadian labour situation lies through examination of the more general statistical measures, that is, of the developments in the labour field. These general figures show clearly that in the last year there were very large increases in employment and in the size of the labour force, with relative stability of the unemployment rate throughout the whole period. That rate is now just under 4 per cent, but for some time it was approximately 3.3 per cent.

The weekly pay of most workers in Canada also substantially increased during 1966. It seems probable that the industrial composite figure of average weekly wages and salaries, the most general measure we have of average weekly earnings in Canada, will in the future consistently exceed \$100 weekly. Labour income has gained very substantially because gains in this figure are determined by the sizes of increases in employment and in average weekly earnings.

As I have said, the important job for the immediate future is to learn from the happenings of last year in an attempt to determine the extent to which change could be made to advantage. Thus, it is in this environment of spectacular movement and changes, in the industrial theatre to some of which I have referred, that our new and reorganized Department of Labour has set its course for the future.

Hon. members will recall that some concern was expressed in the house last year that as a result of the redistribution of certain functions between the Department of Labour and the Department of Manpower and Immigration the former might have a tendency to fade away. I can assure the house that nothing is farther from the truth and that one