

support from UI benefits at his rate of entitlement plus an additional \$10 per week from the Division as a training allowance together with transportation and living away from home allowance if applicable. Thus the income support/allowance side of this training predominately comes from UIC funds. The Division however finances the cost of the courses. The total project in Newfoundland will involve expenditures by the Department of up to \$3.5 million during the two years. The Unemployment Insurance Commission participates in the Manpower Needs Committee's decisions concerning the type of training to be provided.

This project is essentially geared to provide seasonal workers with an alternative skill which can equip them to work at something else during the seasonal lay-off period from their regular employment rather than draw UIC benefits. It was presented as an example of the way in which the Division in cooperation with the UIC seeks to extend its training objectives to reach those who could benefit from an opportunity to improve their earning potential. If successful the results of the Newfoundland project will ultimately be shown in the reduction of UIC payments arising from seasonality of employment. The Committee agrees that this is a desirable goal.

However the Committee cautions that referrals to training should not be based solely on the fact that the prospective trainee is drawing unemployment insurance. The decision to refer a person to training should always be made on the basis that the person wants training, that the training is useful and that the person will likely find a job as a result of training. This will be even more important when the merger of the UIC and Canada Manpower announced in May, 1976 is complete. It is the declared intention to extend the experiment tried in the Newfoundland project, to use UIC funds for training UIC beneficiaries in other parts of Canada.