
CHAPTER 9

THE FEDERAL-PROVINCIAL RELATIONSHIP IN TRAINING ADULTS FOR EMPLOYMENT

The most critical problem in facilitating the adjustment of manpower is the lack of sufficient basic information and technical training of many workers, which makes their adaptability to the changing work environment unduly difficult. . . . *A Declaration on Manpower Adjustments to Technological and other change*. Economic Council of Canada, 1966.

Since 1966 the Manpower Division has directly assumed the financial burden of sponsoring "educational upgrading and training for Canadians to develop satisfying and productive careers while meeting the manpower requirements of employers and the economy." (Program Objective: 5:30) In 1973-74 it cost \$418,198,424, or 63.84 per cent of the total budget of the Division to meet this program objective. At the same time staffing this program utilized 20.83 per cent of the total authorized man-years.

There are two main delivery systems under the Canada Manpower Training Program: an institutional component comprising training purchased from educational institutions under provincial jurisdiction, and industrial training contracted for directly with employers, although subject to approval by provincial authorities.

The federal government has been involved in the broad field of manpower training for over sixty years. Throughout this time there has been a tacit understanding that, while education under the British North America Act is a provincial responsibility, the federal government could share in the cost of technical education provided by the provinces as a means of increasing the employability of young people. Between 1913 and 1960 total federal expenditures for this purpose amounted to only \$110 million. In 1960 under the Technical and Vocational Assistance Act the federal government expanded its support of the capital cost of building vocational and trade schools to 75 per cent. Federal contributions to the provinces under that Act for a six year period (1960-1966) totalled \$592 million toward capital costs and \$259 million toward operating costs. This created a substantial expansion of technical and vocational facilities in Canada. At the same time the federal government paid up to 97 per cent of the cost of training allowances for those undergoing adult training. However, only about one third of this was spent retraining adults displaced by technological changes. It was essentially a youth program.¹

¹ Richard Simeon, *Federal-Provincial Diplomacy*, Toronto, 1972, page 80-81.