

The Address—Mr. MacEachen

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Willoughby
Winkler—165.

NAYS

Messrs:

Barnett	Howe (Hamilton South)
Boutin	Knowles
Brewin	Laprise
Cameron (Nanaimo- Cowichan-The Islands)	Martin (Timmins)
Dionne	Mather
Douglas	Orlikow
Gauthier	Perron
Gregoire	Plourde
Herridge	Prittie
Howard	Webster
	Winch—21.

Mr. Brown: Mr. Speaker, I was paired. Had I voted I would have voted to sustain the Speaker's ruling.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, in rising to take part in this debate I wish to join with the speakers who have preceded me in congratulating the mover and the seconder of the address in reply.

My purpose in taking part in this debate at this stage is to review briefly the current employment situation and the immediate prospects ahead, to report to the house on the operation of a number of programs that have been undertaken to combat winter unemployment and, finally, to indicate the attitude of the government on a number of important matters with respect to the field of industrial relations and employment policy.

Hon. members will welcome, as I have welcomed, the steady and basic improvement in unemployment and employment conditions in Canada since early last year. The rate of unemployment throughout the country, which was 5.9 per cent last June on a seasonally adjusted basis, has dropped a full percentage point to 4.9 per cent in the last two months. The seasonal increase in unemployment this winter has been smaller than usual, and at the same time the year to year gain in employment this January has been higher than for a great many years.

In January, 1964 an estimated 6,231,000 persons were employed in Canada. This figure was 275,000 higher than a year ago, and unemployment in January of this year totalled 466,000, a decrease of 75,000 from a year ago.

The labour force has been growing rapidly over recent months, but employment expansion has been more than enough to absorb all the new entrants to the labour force and also to reduce unemployment levels substantially. There can be little doubt that the impact of the government's new winter employment programs, together with the wheat sales, have contributed to these favourable developments.

[Mr. Speaker.]

Much of the strength in the economy in recent months has been in the manufacturing, forestry and residential construction industries, with the result that there has been a marked improvement in employment opportunities for male workers. Employment of women at the same time has continued at a high level. The picture, of course, varies a great deal from one part of the country to another, with unemployment rates continuing highest in the Atlantic provinces and lowest in Ontario and the prairie regions.

Looking ahead, employment prospects are encouraging. The peak of unemployment this winter is expected to be the lowest we have experienced in Canada since 1957. With the approach of spring, unemployment should decline throughout the country, and there may in fact occur problems of labour shortages in some parts of Canada during this coming summer greater than we have experienced for a number of years.

Despite this generally favourable outlook we continue to have serious problems of area and seasonal unemployment, and to these we must give serious attention. In many cases these problems are closely tied in with low levels of education and skill and the real difficulties of shifting from one occupation or industry to another, particularly when this involves moving to a new location. There has been a growing awareness over recent years by Canadians of the important relationship between education and training and security of employment.

I know all hon. members of the house will join with me in expressing satisfaction with the remarkable progress we are making in the development of our manpower resources. This progress has been reflected in increased enrolment in schools and in training programs, and in a decline in the number of school drop-outs and a downward swing in unemployment.

Last June I mentioned three measures we proposed to take to strengthen our technical and vocational education program. These have now all been taken. The first is an amendment to the Technical and Vocational Training Assistance Act calling for the continuation of the 75 per cent federal contribution toward the construction of new facilities up to an amount which would match the highest per capita contribution reached by any province. A second amendment has increased the contribution to the provinces toward the cost of provincial training allowances to unemployed persons from 75 per cent to 90 per cent. Finally there is the amendment to stimulate training in industry through increasing the federal government's contribution to this program.