

Minister appeared anxious to demonstrate that the Division handled a significant proportion of placements.

Although we do not have accurate data on the total number of job openings which occur in Canada each year, our best estimate is that CMCs fill 25 to 35 per cent of job openings. (4:9)

He assured the Committee that Canada was first among six countries used for comparison of the effectiveness of placement by public employment agencies—the United States, the United Kingdom, Sweden, France and West Germany. This estimate is in line with the recent observation of an American researcher:

Around the world, few employment services can claim that their penetration rates (the share of the employment service in all placements) are above 25%; all employment services recognize that most people find their jobs through other channels, especially by direct application to employers or the aid of relatives and friends.<sup>3</sup>

The Division is apparently meeting the international standard in sheer numbers of placements. However, the bald figures do not convey very much in terms of real effectiveness of placement. "Clearly, Canada Manpower is much better at finding people for jobs, than finding jobs for people." This was Mr. Baetz' comment on the statistical evidence that in 1973-74 only about one-third of referrals actually led to an offer of employment. (12:7) The basic cause for this imbalance is that a government placement service cannot refuse any one who wishes to register. The Minister commented that the quality of referrals in part "depends very much upon the competence and number of our worker clients. The less qualified our clients are, the less capable we are going to be in meeting employers' needs." (26:6) A senior official was more blunt:

Many people do not appreciate the real difficulties which the Department has in working with the kind of labour market we have. The fact of the matter is that we can only refer people who want to be referred. We can only refer to firms people we have got. (24:16)

This is in strong contrast to the conditions under which private placement agencies operate. While they must provide service to the job seeker, they know that their prime function is to serve the employer. They are not restricted in their search for the right person for the job to those who are unemployed. They are highly rated by employers because they offer fully screened applicants who fill the job requirements.

Canada Manpower Centres in contrast must serve the unemployed job seeker. This imposes a limitation which only a government supported agency could live with. The government is in effect running an *unemployment agency*. But within this limitation the match between those who register with Canada Manpower Centres and the jobs offered by employers who have specified qualifications for those jobs must be made to serve both parties as well as

<sup>3</sup> Beatrice G. Reubens, "Employment Services: The Global View" *Manpower*, Sept. 1975.