

numbers of new labour force entrants to staff new enterprises.

At the same time, we are no longer able to rely heavily on imported workers to alleviate labour shortages. Historically, the availability of foreign workers meant that we in Canada could avoid facing up to the hard questions about our training programs. When you consider that it takes about four years and an investment of some \$40,000 to train a journeyman tradesperson, it is easy to understand why employers opt for the quicker, cheaper, short-run solution of importing their skilled labour requirements.

However, the offshore pool of skilled labour is drying up. And our immigration posts abroad advise us that it will become increasingly difficult to attract foreign skilled and professional people as other countries bid for their services....

#### **Incentives needed**

People want economic security. They participate in community life and form deep attachments to places. If we want industrial adjustment we have to provide people with incentives to make change attractive. To expect industrial adjustment without economic security for workers is to shout in the wind.

The other related comment on industrial adjustment is that if we are to improve our nation's economic performance, if we are to continue to make quality of life gains, we must concentrate more on measures to help workers exploit opportunities. Traditionally, we have focused on layoffs and the downside effects of industrial adjustment. Now we must focus on upside opportunities. Put another way, we must begin the long drive away from sunset industries and into sunrise ones.

Training is the second broad area I want to touch on. I have already mentioned the decline in the numbers of skilled immigrants which means that Canadian training programs must provide an increasing number of skilled workers. But there is concern whether our training programs can measure up to the challenge. For example, the industry sector consultations of 1978 recommended to First Ministers that "as a first priority, government manpower policy should emphasize long-term training programs to produce fully trained tradesmen".

There are a bundle of problems to be faced with respect to training. I am sure you are familiar with many of the

attitudinal, financial and jurisdictional hang-ups which complicate changes in training programs.

#### **Effective training**

Many proposals have been made to increase the effectiveness of our training programs; gearing purchases of academic upgrading courses more directly to direct job placement opportunities; increased involvement of employers and labour organizations in the definition of training needs; and pooled training funds to spread the risks of training more evenly.

...Often, training requires some kind of apprenticeship program. However, manufacturers have come to regard apprenticeship as an expensive and risky way of obtaining skilled help. The cost can be considerable — about \$48,000 to add a single journeyman machinist to the labour force. And the cost is not the employer's only concern. Unfortunately, the drop out rate is high and frequently firms lose the graduates of their expensive training programs to competing firms.

Without question, employers must have an eye on the bottom line. If they cannot expect a reasonable return on their training investment, they will continue to regard the apprenticeship approach as risky at best. So it becomes obvious that if we are to improve our capacity to train skilled people within the private sector, we must provide structures to make apprenticeship programs more attractive to the employer....

#### **Co-operative education**

Since 1957 when 75 engineering students enrolled in a co-operative education program at University of Waterloo, co-operative education has grown steadily. There are at least 125 college or university co-operative programs listed in the Annual Directory of Co-operative Education Programs.

The co-operative model is popular with students, employers and with educational institutions. All of you in the audience know the lengthy list of reasons why this is so.

I believe that co-operative education has a substantive contribution to make towards meeting domestic requirements in several critical skill areas. A recent national survey of selected industries has revealed 3,600 openings for engineers, accountants, scientists and other professionals. Co-operative education has a track record in these professions, turning

out trained people with superlative skills.

My experience in an academic setting leads me to believe that the federal contribution of seed money to co-operative programs was a real incentive. Almost without exception educational institutions across Canada are faced with severe budget constraints. In this context a small incentive can elicit a rather substantial response....

#### **Special workers**

We must adopt strong measures to ensure that women, native people, the handicapped and youth take full advantage of job opportunities.

Obviously, to achieve this social goal we have to move on many fronts at once. Recently, I was able to announce, with the President of the Treasury Board, a program of affirmative action in a cross section of federal government departments. If this initiative is successful we intend to apply it across-the-board. The federal government is looking at contract compliance procedures to ensure that firms doing business with the federal government provide equal opportunities for designated groups. We have introduced new incentives for employers to train women in non-traditional occupations. We have increased by \$10 million our funds to train native people so that they can enjoy the benefits of resource development opportunities....

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#### **Canada/Japan nuclear pact**

Canada and Japan exchanged notes in Ottawa, August 22, bringing into force a protocol amending an agreement between the two countries on the peaceful uses of atomic energy.

The Canada-Japan Agreement for Co-operation in the Peaceful Uses of Atomic Energy dates back to 1959. The protocol amending this agreement contains further provisions whereby mutual non-proliferation and safeguards concerns have been fully reflected in the agreement.

The nuclear relationship between Canada and Japan is long-standing. Japan is one of Canada's major uranium customers. There have been numerous technical exchanges on the peaceful uses of nuclear energy. The framework for commercial and technical activities in the nuclear area is the amended bilateral nuclear co-operation agreement which, through the protocol, is now fully in force.