

Canada. We need an expanded right to train while on unemployment insurance and support for part-time and shared work so that those jobs have the pension rights and all the benefits of full-time work. We need support for the people who must take this retraining. For a middle-aged person who has a wife and two children, who is put out of work because of structural change in his field, to go into a retraining program which is good for him and for the economy, he has to have support while he is on that retraining program. We must have good mobility policies so that the people can move to the areas of the country where the new industries are being created.

Mr. Blaikie: You are going to need retraining after the next election.

Mr. Allmand: I am trying to be serious, Mr. Speaker, and I ask Hon. Members to be serious as well.

● (1640)

We must also make a commitment to full employment. I accept that the concept of full employment is hard to define. Certainly it does not mean 100 per cent employment because in any dynamic economy there will be obsolete industries going out of business and new creative industries coming on line. Therefore employees will be leaving the work force, going into training and coming back into the work force. There will be a margin of unemployment because they will be retraining and upgrading. Nevertheless, we need that commitment to full employment, no matter how it is defined.

It is interesting to note that when the Government made the commitment to full employment, we almost achieved full employment on two occasions since World War II. Under a Liberal Government in 1945, with the introduction of the white paper on employment and income, full employment policies were introduced. Between the period 1946 and 1953, there were unemployment rates of about 3 per cent. The second time was in 1964. With the publication of the first annual review of the Economic Council a commitment was made to full employment, and we had unemployment rates of 3.8 per cent between 1964 and 1967.

The commitment to a full employment policy is important. On those occasions in this country when we made that commitment, we almost achieved it.

Other measures which can be combined with those policies are adjustments in our working time schedules. By this I mean the shortening of the work week. In doing so, the aim is to achieve full employment and improve the quality of life. Let me quote from a study in Europe. According to the European Economic Commission, half a reduction in working hours translates into extra jobs and the other half translates into increased productivity. In other words, if the Canadian work week were reduced by 10 per cent, say from 40 hours a week to 36 hours a week, that would produce a 5 per cent increase in jobs which would cut our unemployment rate almost by half.

I should point out to the House that there was a time, which many of us will remember, when we had a 60 hour work week. If that 60-hour work week still existed, we would have an

unemployment rate of 40 per cent rather than 11 per cent or 12 per cent.

The reduction in work hours is not something new; it has been a steady trend throughout this century. It does not mean lower productivity. It is combined with the introduction of machinery which is far more productive and thereby releases people to do other things, such as retraining, upgrading and taking part in cultural and leisure time activities.

We should combine our commitment to full employment with adjustments in our work time schedules. We also need an industrial strategy, an industrial strategy that is made in consultation with business, unions and the educational sector. It must be a strategy which would make the best use of our resources, our work force and market potential. It has to be clearly articulated, long term and tied to our Government policies at all levels with respect to financing, training and adjustment policies.

I believe that Government policies introduced over the last three or four years and in the last two Budgets have been moving in this direction. For instance, we have a new National Training Act. We have a commitment to the introduction of high technology. There is a commitment in the latest Budget to mobility policies, job creation, subsidization of internship jobs and so on.

One of the most important measures was the establishment of the Centre for Productivity and Employment which I believe is a great step forward. It is one of the few occasions in many years when organized labour and business have come together to solve problems in this country.

Having said that, I suggest that more is needed. We must have more support for personal, social and health services employment. There should be more help to those established voluntary groups that work in the voluntary services field, such as the John Howard Society, the YMCA and halfway houses which provide needed services to many people. This might also involve the implementation of the give and take policy under the tax system for these voluntary groups which, as I said, would supply jobs and very needed services to Canadians. It might also mean that we would amend our labour codes in order to encourage the shorter work week.

In conclusion, let me sum up the message I want to leave with the House today. First, we must encourage our industries to become very efficient and competitive. This means first-class management and first-class technology.

Second, this must be combined with a commitment to labour that benefits and profits derived from these efficient and profitable industries will be channelled into the creation of new jobs, especially in the area of personal services.

Third, combine this with policies leading to a shorter work week. I emphasize a shorter work week, but with greater production, which is possible.

We must dispel the pessimism which is abroad in this country that we must live with double-digit or high unemployment. We must spread optimism, which I believe is realistic. It is not being Pollyannaish or rose-coloured. Full employment is