

Government Orders

Many of the social programs set up in the past decades no longer serve Canadians as they should. The result is a misalignment between what the government should be doing to assist Canadians and what the outdated programs are providing.

We are here today in the House of Commons to discuss the motion of the Minister of Human Resources Development that a committee of this House consult with Canadians and make our recommendations on modernizing and restructuring our social security system.

Our challenge is clear. We are committed to maintaining Canada's social programs but we are also faced with the economic reality of the national debt which absorbs almost 25 cents of every government dollar.

It is clear that a fundamental change in our social programs must occur if we are to effectively put people back to work and reduce the deficit. As a former executive from industry, I would like to focus my remarks on education and training and the importance of co-operation between business, industry, government and the educators in setting priorities for change.

My background in industry has taught me the importance of education. Future economic health means investing in people. That is the key. The question is this. How do we train and retrain Canadians so that they are effective and active members of the work force?

Do we need to spend more money? Canada presently spends more than \$44 billion a year on schools, colleges and universities. We devote 6.2 per cent of the gross domestic product on education, ranking fifth among OECD countries and despite these high expenditures rising unemployment rates create a growing concern that our system is off target.

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It has been mentioned many times before that youth unemployment is of special concern. In June of last year while the national unemployment was some 11 per cent, unemployment for young people between the ages 15 and 24 was approximately 18 per cent. In 1993, 400,000 young people were looking for work each month.

In theory the employment system assists in the retraining of the unemployed for greater long-term employment. In reality most funding goes directly to pay unemployment insurance benefits with a small portion remaining for training.

The financial overview for 1993-94 shows that while unemployment benefits will be approximately \$18 billion, spending on training and other active measures totals \$3.6 billion. We are spending. We need to spend more effectively and setting priorities for effective spending for future jobs cannot be accomplished blindly by governments. Educators, business and industry must be involved.

In the mid-1980s Canadian business spent .25 per cent of gross domestic product on training and education. In Germany this figure was 1.96 per cent, in Great Britain 2.17 per cent, in Japan 1.4 per cent and in the U.S., .66 per cent.

Business must realize, and some do, that the future is at stake. Poorly trained employees cost business money. Business must participate not only in the funding of programs but in the reform of the process being started by the government. More and more education will be key to competitiveness as higher levels of education are required within the work force overall.

In 1986 just over 45 per cent of jobs required less than 12 years of education. That figure is estimated to drop to just over 32 per cent between now and the year 2000. Conversely, jobs requiring 17 or more years of education represented only 22.4 per cent of jobs in 1986 but should rise to almost 50 per cent by the turn of the century.

The government's election platform in the speech from the throne reaffirmed the commitment to investing in people. We will work with business, educators and Canadians to ensure that a final plan for modernizing our social programs is a workable solution. Specifically we must work with the provinces and the private sector to help youth be prepared for the transition from school to work.

The youth service corps is a priority and the Secretary of State for Training and Youth has already completed a round of consultation on the corps. Apprenticeship or internship programs prepare youth for the work force. We are committed to bridging the gap between education and employment.

Training and skills development must also extend into the present work force. Several minutes ago I spoke of the increased training levels required for jobs of the future. An enormous portion of the present work force will also require retraining and educational upgrading in the future.

As the Minister of Human Resources Development said in the House this past week: "If we are to speak of reform of the social safety net we must include in that discussion the issues of training and education". Unemployment insurance, social assistance and education are all interconnected. We must address all of these to create, in the minister's words "a total fabric of opportunity".

Better trained employees create better systems. They reduce waste, they make business more competitive and in the end reach that objective of creating more jobs. The changes must be comprehensive. It must include Canadians; Canadian business, Canadian industry, Canadian educators and it must be done immediately. In the Niagara area, the Niagara Peninsula Industry Council is just beginning and is starting to make improvements in our area.