

We know from experience that suitably designed training courses can help significantly to enhance employment opportunities. We are now proposing in new section 39 in clause 41 a more systematic approach based on streamlined financial arrangements. The current cumbersome approach whereby UI tops up manpower training allowances would be replaced. Those eligible for UI referred to manpower training courses would receive their full income maintenance from the UI program. This would not only make administrative and financial arrangements more efficient, it would also open up the possibility of additional funds being made available for training purposes. I am confident that these proposed arrangements are sound and should merit the full support of hon. members of this House.

I recognize that the proposals for job creation and work sharing constitute new departures. We have, therefore, indicated that we would be undertaking pilot projects in both cases to assess the extent to which the undoubted difficulties could be overcome and positive results achieved.

In recommending the use of UI funds in support of job creation projects it was again our hope to provide a more productive alternative to those whose immediate job prospects were poor. The question, of course, immediately arises: why not simply refer them to job creation projects financed in the normal way through appropriation? The simple answer is that UI funds could be an important way of stretching scarce funds available for job creation.

I am fully sensitive to the opposition which has been expressed by the representatives of both labour and management to the use of UI funds in job creation. I hope, however, that this will not result in the prevention of a period of experimentation to see whether the problems can be resolved.

In these circumstances it is my view that section 38 in Clause 41 should be retained in the bill. I do, however, give my unequivocal assurance that I would not proceed with implementation until there have been further opportunities for discussion. Specifically, I would propose to refer the question to the newly established advisory council to permit a fuller exchange of views than we have yet been able to have. I would also give my assurance that, if it is clear that no labour or management support for experimentation is forthcoming, these provisions will not be implemented.

The work-sharing arrangements contained in new section 37 in Clause 41 have also been a source of considerable controversy and criticism. Nevertheless, they seem to me to have sufficient potential merit to warrant not only careful consideration but also a trial period in the Canadian context.

I fear there is a danger that work sharing may be dismissed without a fair hearing. My department has undertaken a fairly extensive examination of the experience with work sharing in a number of European countries. These studies do not support the allegation made in some representations that these arrangements in Europe have been a disaster. Quite the contrary, they have become an integral part of labour market policy and programs in Europe and, despite some admitted

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concerns and criticisms, they have received widespread support from both labour and management.

I see no reason in principle why the advantages which have been obtained in Europe could not be achieved in Canada. Employees who would otherwise have been laid off would be helped to retain their skills and work habits. Employers would be helped to retain their skilled labour force. It is, of course, true that those workers who would otherwise have been retained in full time employment would have their incomes somewhat reduced. That is fully recognized in the title we have given to those arrangements, that is, work sharing. Such arrangements would not, of course, be designed to result in a long term reduction in the incomes of such workers. They would be limited arrangements designed to meet temporary problems.

Dealing with the hon. member for Hamilton West and his motion No. 18, I fully appreciate that in the final analysis whether work sharing arrangements produce positive results will depend on the willingness on the part of workers and employers to support our proposed pilot projects. My understanding is that a number of establishments in Canada have already begun to embark on various forms of work sharing arrangements. In these circumstances I think it is essential to pursue discussions more widely and fully with management and labour to determine whether there is a basis upon which to proceed before we jettison what may be potentially a very good idea.

I give my assurance to the House that, if this provision is retained, I will not authorize its implementation until I am satisfied that there is a willingness on the part of management and labour groups to participate. On this basis it is my recommendation that hon. members of this House support the provisions in Bill C-27 for work sharing.

With respect to motion No. 18 proposed by the hon. member for Hamilton West and with respect to the evaluation of job creation, that motion would require an evaluation to be tabled within one year of proclamation of Bill C-27. Let me emphasize that it is our clear intention to undertake evaluations of all the developmental uses of unemployment insurance funds, including the job creation proposal. I would certainly be prepared to table in parliament the findings of such evaluations.

I find, however, that the provision in the motion would introduce an undesirable element of rigidity. As I have indicated, the job creation proposals would not be implemented until after we had undertaken thorough discussions with the advisory committee. A period of one year following proclamation of the act itself would undoubtedly provide too short a time to assess results. Having given my assurance that we will be undertaking evaluations and making the findings available, I hope motion No. 18 can be withdrawn or defeated.

**Mr. Cyril Symes (Sault Ste. Marie):** Mr. Speaker, I listened with interest to the minister, and to the hon. member for Hamilton West (Mr. Alexander) in his earlier comments about some of the stands we in the New Democratic Party