

The Committee wishes to draw attention to the rapid expansion of expenditures directed specifically to services for the disadvantaged. A public employment service is not free to choose its clientele. It must serve the job seeker, every job seeker who comes to the Canada Manpower Centre. According to the Manpower Division's own calculations, 75 per cent of those who register with Canada Manpower are active members of the labour force without employment. The effectiveness of Canada Manpower in fulfilling its role as the agency through which job seekers are put in touch with employers in search of workers must be judged primarily by its success in placing the unemployed who either already have qualifications and desire employment or can be made job-ready through a maximum fifty-two weeks of sponsored skill training.

An analysis by the Economic Council of Canada of the current rate of unemployment in Canada which has remained at seven per cent of the labour force for more than a year, established that about 80 per cent of the jobless remain unemployed for three months or less. This group accounts for the fluctuating but persistently high rate of unemployment. It must be compared with the amount of unemployment attributable to the real 'hard-core' unemployed which Dr. Raynauld, Chairman of the Economic Council defined for the Committee as those who are unemployed for more than six months. The percentage of total unemployment attributable to this element does not fluctuate. It remains fairly constant between 1.5 and 2 per cent of the labour force. (18:36)

The public employment service surely must give priority to finding work for the job seeker who is employable but unemployed. To bring into employment the hard-core unemployed or to bring into the labour force the disadvantaged from all the target groups that have been identified as having particular and continuing difficulty getting and keeping jobs is a tremendous challenge. The need to encourage these people to find satisfactory employment cannot be neglected. But in this examination of the Manpower Division the Committee looked at what was being done to develop the total manpower resources of the country. This suggested that the activity of the Division on behalf of the disadvantaged has permeated all program planning. The job seekers who make up the 80 per cent of total unemployment no longer have priority. Throughout this report special attention is paid to those areas of activity of the Manpower Division which could be strengthened to improve services for the job-ready job seeker without detracting from the wholly admirable desire to assist disadvantaged Canadians to achieve greater prosperity and well being.

The Minister has said of the Manpower Division that its "primary responsibility....is to refer competent and qualified workers....to facilitate the placement of workers in terms of their own qualifications." (26:9) The Division's pattern of expenditures suggests that the effort to fulfill this primary responsibility has been diminished as a result of the concentration of effort to assist those most difficult to place. This shift in expenditure and effort must be reconsidered in setting future program objectives.