

*Supply—Labour*

attention and in each there was an unholy amount of red tape involved. I am not asking for any information with regard to the minister's forthcoming proposal, but would it not be possible for these questions to be settled in future at least on a regional basis or even on a local basis rather than be handled from the provincial headquarters as I understand has been the case up to now? This has involved long delays and a great waste of time. In one case with which I am familiar two or three unemployment insurance areas were concerned, and should the head office of a company happen to be in another province, additional delay results. Would it not be possible to consider the use of local unemployment offices and to give them a bit more autonomy in assessing the job placement potential and other factors involved? I recall one case where over six months elapsed before a satisfactory conclusion was reached. At no time did departmental officials indicate that the application would not be successful. But the company got tired with the red tape involved and the prospective employee became disillusioned with the assistance he was getting. This seems to me to be the biggest weakness in the program. Even so, I thought it had a limited success.

**Mr. MacEachen:** Perhaps I could begin by making a slight correction. The figure I used—800 workers—was the number employed in the last month of the program. The period the hon. member mentioned for dealing with an application was obviously outrageously long and I hope that in the continuance of our efforts we would get ahead more quickly.

I agree we ought to consider giving room for more local initiative so that consideration could be made and approval given quickly. The form of the new program will be announced reasonably soon and we shall have a chance to take our experience into account, as well as the views expressed by the hon. member.

**Mr. Peters:** I understand from the minister that \$2 million is available for these purposes. If the operation is extended, how long is it expected the program could continue on the basis of these funds?

**Mr. MacEachen:** We do not intend to continue the present program. We have a further program in mind. The amount which will be authorized by the continuing authority granted last year will be relatively small, something of the order of \$50,000. The remainder will lapse.

[Mr. Peters.]

**Mr. Barnett:** I was interested to hear the minister say he proposes at an early date to replace the present program. I rise to express the hope that any new plan he brings forward will make it impossible for employers to take advantage of this legislation as a means of securing cheap labour. I think the hon. gentleman will find in his office a communication from the British Columbia federation of labour citing examples of how the old project was subject to abuse of this kind. I know of one case in my area where quite obviously this has been done. An employer was able under these provisions to secure an employee at a rate of pay which barely complied with the minimum wage standard of the province. We should relate this to the fact that he was being repaid to the extent of \$75 a month, which meant he was getting the services of an employee for a very low outlay indeed. It was obvious to me that there was no question of training or re-training an employee in this case.

I do not know whether the minister has instances of similar practices in other parts of the country, but I should like some indication whether this was one of the problems presented by the old program and one of the reasons it was wound up.

**Mr. MacEachen:** We had the view that we ought to provide for a greater amount of training than we had insisted upon in the earlier program. I took the view that the return to work of a person who had been chronically unemployed for a considerable length of time might in itself constitute work reorientation that would be tantamount to training, especially on-the-job training. But I think we have to go beyond that and provide some training, and this is one of the problems that we encountered in the program. We attempted to guard against exploitation, or employers taking advantage of the program, by insisting that this bonus would be applicable only to new jobs or jobs that had been created subsequent to the program or because of the program, otherwise individuals could be laid off and others brought on and \$75 a month would be paid as a bonus. We guarded against that, I think successfully.

**Mr. Peters:** Mr. Chairman, I have one last question on this plan. Would the minister indicate how much money was spent on advertising this program, and second, what is the percentage figure of the administration costs to benefits in this particular program?

**Mr. MacEachen:** Mr. Chairman, I have not with me the exact advertising costs. They have