

*Employment Opportunities:*

22. Where then must future employment opportunities be found, not only for those presently unemployed but also for those entering the labour force? It must be from manufacturing and the service industries group, including trade, finance, professional and personal services, transportation and others. Employment in the service group depends greatly on employment in manufacturing. A 1958 study by the Research and Development Department of the Canadian National Railways estimates that 100 additional jobs in manufacturing lead to over 100 new jobs in the service industries.

23. Before the war less than 20% of employed Canadians worked in manufacturing. At the height of the war this had increased to 30%. This was an unusually high percentage and declined for several years thereafter. At the present time about one-quarter of employed Canadians are in manufacturing.

24. Should present trends in the ratios of new job opportunities in the goods-producing and the service industries persist, the Canadian economy will face problems of serious structural imbalance in employment opportunities. Even though the total of new job opportunities may match the total growth in the labour force, there may be relatively restricted job opportunity for many men and relatively good job opportunity for women. Parenthetically, it might be observed that the rising place of the service industries in the gross national product has significant implications for income levels and for rates of growth in per capita national income. It is generally true that productivity and the opportunities for productivity growth are higher in the goods-producing industries than in services, with the consequence that a rising proportion of employment in services puts an almost automatic brake on rates of growth of average incomes. There is also a real question as to how far employment opportunities in services can continue to expand without an adequate foundation of growth in the goods-producing industries and particularly in manufacturing.

25. Recent evidence is that an alarmingly high proportion of the unemployed are young males with relatively low educational and skill qualifications. In the light of the trends just referred to and the need for the goods-producing industries to provide the productivity improvement which will sustain adequate growth possibilities for the entire labour force, this could be the portent of a serious problem.

*Imports:*

26. In our opinion one of the most important single factors contributing to lessened employment in manufacturing is the huge volume of fully or chiefly manufactured goods imported into Canada. During the past five years these imports have exceeded \$4,000,000,000 annually. We are today the world's largest per capita buyer of foreign-made fully or chiefly manufactured goods. The per capita figures for imports of this kind in 1959 were Canada \$244, the United Kingdom \$52, West Germany \$50 and the United States \$38. This flood of imports comes from the United States with its mass production facilities and from countries such as the United Kingdom, the Federal Republic of Germany and Japan where, additionally, the wages are substantially lower than those paid to our own Canadian workers. Further, their manufacturing industries are equipped with the most modern machinery and equipment. Canadian industry does not have any monopoly on the use of the best technological equipment and methods or brain power.

*Duties of Management:*

27. To fulfill its responsibilities to its customers, shareholders, suppliers, vendors, and other members of the public, as well as to employees, it is the duty of management in Canadian manufacturing to see that Canadian