

Economic Policy

ment is still to come LIP is one of the key factors in the significant job increase experienced in February.

Mr. Speaker, under the measures already announced, we will provide in 1977-78: 126,000 man-months of work under the LIP program for this winter; 288,000 man-months of work under the Canada Works program with a \$200 million funding; 60,000 man-months of work under the Young Canada Works and the Company of Summer Workers; 19,000 man-months of work under the Local Employment Assistance Program (LEAP).

Overall, the employment strategy will help 135,000 participants, in addition to those who were already working on LIP projects this winter. I would like to stress that those initiatives are over and above our major manpower programs, such as: the manpower training program under which some 300,000 full-time participants will be trained at a cost of some \$600,000; the manpower mobility program which will enable 15,000 unemployed workers and their families to move to a community where they will be able to find full-time employment, at a cost of some \$14 million.

The programs under our five-year strategy are not rigid. Quite the opposite, they are very flexible and the minister is ready to bring in due time any changes and amendments that will prove necessary to meet the immediate and long-term needs of our labour force.

However, I do want to stress above all that the bill before us offers a new solution to the challenge which, day after day, work and unemployment constitute in a modern industrial society. Through certain amendments, we will replace welfare benefits with productive and satisfying employment which Canadians so dearly want.

The bill enables us to dispense training instead of distributing unemployment benefits. Indeed, it gives the unemployed the possibility of taking courses while receiving unemployment insurance, and using that money as the chief source of income during their training period.

This new system will enable us to make funds available and to admit as well a larger number of unemployed to much needed vocational training. This means that instead of searching, sometimes in vain, for a job difficult to find, thousands of Canadians will be able to use their time and skills to improve their "employability" and their long-term income, but it also means that we will be able to use present expenditures to give people the opportunity to get a more attractive and promising position on the labour market.

At the same time, the bill will enable us to develop pilot projects to determine whether it is possible to establish worthwhile links between unemployment insurance support payments and job creation projects. I do not expect this initiative to be one of the main factors which will contribute to reduce unemployment this year, but it could become very important next year if experiments prove to be successful.

Under this legislation, we will also be able to experiment the works sharing plan, which is already widely applied in Europe to reduce unemployment and maintain contact with the work-

ing environment. This system, whereby the plant can maintain all its employees at work during 75 per cent of the time rather than laying off 25 per cent of them, does offer certain benefits. For instance, it enables businesses to keep their workers and therefore avoid having to train new ones when production starts again. Employees are not losing their skills nor their working habits and they stay on the job. The net cost for unemployment insurance amounts to almost nothing. This system can therefore benefit all parties. The minister hopes to be able to initiate a number of worksharing pilot projects next fall and if they prove as successful as I expect, to expand them substantially in the future in the best interest of all Canadians. All these new ways of using unemployment insurance will help curb or reduce unemployment.

They will give workers opportunities which they do not have now and no one will have to participate. Their philosophy is largely based on recommendations made by the OECD in its recent review on a general employment policy. It seems to me that the programs which the government has implemented and is still implementing to fight short and long-term unemployment, have been dictated by our economic and by our international situation. These statistics must be considered in the aggregate and not just for any given month. The present government has probably found more positive ways to fight unemployment than most of our economic partners.

We have developed an employment strategy which has already produced positive results. In the coming months, our situation will improve further. We intend to combine the unemployment insurance support payments with our manpower programs. If things work well, these programs will allow us to expand our training and job creation programs and to develop a work sharing system.

The finance minister declared that he was going to bring down a budget providing for the best possible management of our economy and the necessary action to reduce unemployment without creating a new inflationary trend. If the unemployment rate for February should not create panic in the public, as some have claimed it will, I must admit that it is far from being satisfactory. We cannot ignore the human problems which are being created by our present unemployment rate and we cannot be indifferent to it. We are taking the very strong action which the present situation calls for so that as many Canadians as possible may find the productive and satisfactory job they seek. This question remains one of the major concerns for our government.

● (2120)

[English]

Mr. Bob Brisco (Kootenay West): Mr. Speaker, there are a couple of things I want to set straight on the record tonight, and among them are the subjects of LIP, DREE, Canada Works, Young Canada Works, and FBDB.

It is very strange to me that in this fiscal year 1976-77 under LIP the minister is trying to create at least temporary jobs. LIP is the program that employs a few people for a few months so that they can then go on unemployment insurance