

In 1900, Canada was still largely an agricultural country. It was opening up, absorbing a growing population and a steady stream of immigrants. Both federal and provincial governments had fewer functions, and these they exercised within their own jurisdictions.

EFFECT OF TWO WARS

However, it was inevitable that a need for some measure of formal co-operation would develop once problems arose that cut across the sometimes shadowy line dividing federal from provincial jurisdiction. The two World Wars, if they did not create such problems, at least made them obvious and urgent. War is a great hothouse for economic and social trends. In World War I we had to think, for the first time, of mobilizing our man-power resources and we had to look at the skills we had available. We were made forcibly aware of a lack of technically-trained people and of the means for producing them.

In this country, education is under provincial jurisdiction, but the Federal Government cannot help but have an interest in it, and particularly in technical education, because of the vital importance to our national economy of a properly-trained work force.

EARLIEST FEDERAL-PROVINCIAL CO-OPERATION

We find here one of our earliest examples of federal-provincial co-operation. As far back as 1919, federal grants were provided to the provinces to assist any form of technical education "necessary to promote industry and the mechanical trades". This assistance was later broadened from time to time until, in 1960, the Technical and Vocational Training Assistance Act made possible our present co-operative programme, by agreements between each of the provinces and the Federal Government.

It is important to realize that this programme, like our other joint programmes, is not something manufactured at the federal level and presented to the provinces on a "take-it-or-leave-it" basis. On the contrary, it evolved co-operatively from the long experience of the provinces, and through continuous consultation between federal and provincial experts. It evolved also out of knowledge based on research.

As in other countries, the number of skilled jobs is increasing rapidly, while jobs for the unskilled and semi-skilled are getting more and more scarce. At the same time, school drop-outs have been becoming a matter of grave concern.

We needed more facilities for training and broader and more flexible courses of study to meet the needs of our young people. We needed to expand training and re-training for adult workers — for the unemployed and for those who were working but whose skills were no longer adequate.

All these things are provided for under our present federal-provincial training agreements, and the impetus they have given to provincial school building and to training of all kinds has been startling. Federal assistance for school construction was most recently set at 75 per cent of provincial costs; for training allowances for the unemployed it is now 90 per cent...

NATIONAL EMPLOYMENT SERVICE

In 1918, the Federal Government made up to \$150,000 a year available to be distributed among the provinces

under federal-provincial agreements for the maintenance of employment offices. I suppose \$150,000 went further in 1918 than it would today. In the years that followed a useful employment service was built up.

However, the birth of our present National Employment Service had to wait for the setting up of our system of unemployment insurance — and that was not done without constitutional difficulties. It was only when all the provinces agreed to an amendment of the British North America Act that the Unemployment Insurance Act was passed in 1940.

By that time, we were at war and the organization set up under the Act in 1941 reflected the needs of a country at war. The emphasis was reversed for the time being, because unemployment was no longer the problem. The Employment Service was made part of National Selective Service, which had the responsibility for mobilizing our manpower for the duration of the emergency.

The Employment Service thus was born under the most difficult conditions possible, and immediately after the war, while its duties were more normal, they were no less pressing. It had to deal with the employment problems of reconversion, when thousands of men and women from the armed forces were returning to civilian life. This was indeed a baptism of fire.

AN UNFORTUNATE ASSOCIATION

From the beginning, the Employment Service unfortunately tended to be regarded as a necessary adjunct to a scheme of unemployment insurance — to test whether or not an applicant for insurance benefit was actually attached to the labour market and looking for a job. Any such concept is of course incompatible with one of the primary obligations of a properly conducted employment service, which is to refer to any given vacancy the most suitable applicant available.

While it has always played its role to the full, it has to some extent operated under a cloud, because of its association with the negative aspect of unemployment insurance. This has certainly affected its public image, and has to some extent limited its effectiveness.

We are now working out the details of a transfer of the Employment Service to the Department of Labour. There will be no basic change in the purpose of the Employment Service, but in arranging for this move we will be able to make it easier for the Employment Service to provide the kind of service that is needed today, and to play its part more effectively in the organization of the labour market and the implementation of an active manpower policy. Its work will mesh more and more with that of the Department of Labour, and it is only logical to bring them into close association.

REHABILITATION OF HANDICAPPED

An outstanding example of co-operation between the Federal Government and Provincial governments, along with private community organizations, is the programme for rehabilitation of the handicapped.

The present programme began with a conference of all these and others concerned with rehabilitation, including the medical profession. All these are represented on the advisory committee that guides the

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