

Jobs of tomorrow, challenge for today

BY KARINA ROMAN,
CBC News

PICTURE two small robots, duking it out on the floor of an electrical engineering lab at the University of Ottawa.

They're known as sumo robots. Armed with sensors and wheels they each try to push the other off the "wrestling" mat.

They are part of a prototype project for fourth-year students.

And they were on display during a recent high school tour where professor Alan Stewart told the grade eleven students, "students [here] end up with more than a grade, they get a job and experience."

Jobs.

That's what the government says the budget was about: creating the jobs and economy of tomorrow.

But how do we know that's what it will do?

Because if you ask four people what creates jobs, you'll get more than four opinions.

John Manley is a former Liberal finance minister who is now the president of the Canadian Council of Chief Executives.

He says aside from hiring directly and expanding the public sector, the government itself doesn't create jobs.

"I think the biggest responsibility government has is to create an environment in which the private sector can create jobs."

But there's even less agreement on what that environment should look like.

John Manley sees it this way:

"Corporate income tax rates are important because we live in a world in which investment dollars move, and that's not just foreign investment coming into Canada. It's also Canadian investment that can either choose to stay in Canada or choose to go elsewhere. A trade environment, in which we have access to other markets is an important component, maintaining stable prices, inflation, in other words, monetary policy is also very important. These are the big things government can do."

But others say the government needs to go further than that.

David Macdonald, an economist with the Canadian Centre for Policy Alternatives (CCPA), argues an environment in which jobs are created requires investment in social programs such as education, transit, health and childcare.

"Businesses want well-trained employees. Businesses want their employees to get to work on time and not be stuck in rush hour traffic. And they want access to more employees because [those] employees can get child care."

Macdonald also says that kind of social spending is just as good at creating jobs as is building bridges and roads.

"What's interesting is that social infrastructure in terms of ranking on job creation, ranks

at the same level as physical infrastructure. So whether you're paying a child care worker to provide subsidized daycare for a single mother, or whether you're paying a manufacturing person to go out and run some rail line for light transit, the same number of jobs are created."

And Macdonald says that both social and physical infrastructure spending ranks much higher than taxes in terms of number of jobs created.

"Particularly corporate tax cuts that are always on the bottom of the [ranking] list. You read the government's own list in their budget last year, and how they rank corporate taxes [for job creation], and they're at the very bottom."

Even if there is no consensus on how to create jobs, there seems to be some agreement that the government should aim its job creation dollars at fostering a "knowledge economy."

But here's the twist.

To many, a knowledge economy is more than high tech and university degrees.

A recycling equipment plant is a bright spot on the otherwise bleak employment landscape in St. Thomas, Ontario, because it is hiring.

The Ford Plant in this town is set to close next year.

Jason Myers, president and CEO of Canadian Manufacturers and Exporters, notes more than half a million manufacturing jobs have been lost since 2004.

But he argues giving up on manufacturing in Canada is downright dangerous.

"In fact, if we lose manufacturing, we're going to lose the biggest wealth creating sector of the entire Canadian economy. If manufacturing disappears, it will impoverish the Canadian economy."

That's because the spinoffs from the primary traditional manufacturing jobs include all the design, engineering, marketing, maintenance and finance jobs that are tied to a particular company or product.

And while many of the jobs on the production side of manufacturing might never return to Canada, Myers argues manufacturing can still rebound if there are incentives to invest in new technology and to become competitive because we make the best product, not necessarily the cheapest product.

"You look at where the jobs are being created: in part time work, in self-employment and in government work. That's not sustainable. [We need] jobs that are in high value activities, high paying full-time jobs. We just simply can't continue to redistribute tax money or redistribute other peoples' money to subsidize low wage employment in this country."

The government says its budget is about creating the jobs of tomorrow, pointing to new money for research and development and for the commercialization of research.

In consideration of the "jobs of tomorrow," Service Canada publishes online lists of occupa-

tions it sees having limited, fair and good work prospects.

For instance, in 2007, the government predicted that in 2009 there would be good work prospects for civil engineers, judges, and social workers, among others.

You would have limited work prospects if you were a nanny, cabinetmaker, cook or construction worker, to name a few.

But Jack Mintz cautions the government to be wary of predicting the jobs of the future.

Mintz is the director and chair of the school of public policy at the University of Calgary.

"I think governments are not in a position to predict what are the best jobs and where those jobs are going to be created in the future. And, in fact, if you go back, over the past 70 years, governments tried to pick which industry is going to be the winner. And often they can fail because things keep changing all the time."

After all, if the government was good at predicting the labour market, would we have a skilled trades shortage right now?

Moreover, thanks to the stimulus spending in the last budget, government-directed construction projects are making that shortage more acute.

So, the trades are alive and well, manufacturing cannot die or we're doomed, and yet we also know that high technology, science and green jobs are going to become more and more important.

Where's a government to focus?

Armine Yalnizyan is a senior economist with the CCPA.

She argues it should be less about the jobs of the future and more about investing in the people of the future: youth.

To Yalnizyan, that means everything from early childhood education to universities to building cities and towns that young people want to live in.

"I see that as the conversation we really need to have. As the boomers close in on their retirement years, are you willing to pay for the world that you grew up in, for your children? Because we certainly have had the best of anything, any nation can offer. But it's this generation that seems intent on keeping as much of the cash as possible. And it's a scorched earth policy. As a boomer and an economist, I'm embarrassed."

Back to the engineering lab, where the sumo robots continue to battle it out.

One will eventually push the other out of bounds and win. There are many different ways the robots can do that.

The government is also looking for a winning strategy, on jobs.

But which strategy is the right one depends on who you listen to.