

**Presentation Notes
Final Conference Session
Wayne Samuelson**

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IDEAS FOR AN ONTARIO JOBS STRATEGY

The key goal of a manufacturing jobs strategy is to create and maintain well-paid, sustainable and rewarding jobs in safe workplaces.

We need to expand manufacturing and public services and rollback privatization and commercialization to create good sustainable jobs and to ensure quality services for all citizens.

What are the Key Challenges to Implementing a Jobs Strategy?

For this to occur in Ontario and Canada there needs to be dramatic changes in government policy and the economy. Governments, for example, need to promote productive capacity, take responsibility to maintain a strong manufacturing sector, a strong public sector and implement macro-economic policies (taxation, promote productive capacity and spending and monetary policies) that ensure Ontario and the rest of Canada move toward full employment.

As well, governments have to ensure that the private sector takes responsibility for contributing to well paying safe jobs and an environmentally sustainable economy.

Increasingly, we live in a global market economy wherein most of the key decisions on employment, hiring and firing, investment and training are made in the boardrooms of private transnational corporations and, therefore, in the interests of corporate elites and shareholders. Much of this power needs to be brought under public control through government action and legislation.

As a first step the OFL will convene a meeting within a week to ten days with the key organizers of this conference to decide on future actions and the formation of a working group on a jobs strategy in line with the comments from panelists and contributions from the floor.

Key ideas for a manufacturing jobs strategy presented by panelists and contributions from the audience include:

1. Sector-wide Manufacturing Jobs Strategy:

We need to develop a sector industrial jobs strategy in order to expand society's productive capacities and thereby better address people's social needs.

The goal of an industrial jobs strategy should be the creation of well-paid and rewarding jobs for everyone, not the competitiveness of one group of workers against another or workers of one country versus another.

Sectoral strategies are aimed at both strengthening every sector of the economy, not just a handful of key sectors and they are directed at all working people not just a special few.

Green Jobs: A manufacturing jobs strategy should also be a green jobs strategy. A plan for greenhouse gas reductions should be developed as called for in the Kyoto Protocol. A commitment to dealing with global warming would have major positive impacts on energy efficient jobs in areas such as machinery and equipment, public transit, infrastructure, and alternative energy technologies such as wind, solar and geothermal power.

Manufacturing and Finance: The Ontario government should press the federal government to fund and establish a Sector Development Bank to assist the modernization of firms through injections of long-term equity. Such funds should be targeted to hard-hit sectors such as the forestry industry.

Value Added Resources: To ensure that resource development is environmentally sustainable and contributes to long-term economic development a job strategy should encourage through regulation and export measures value added processes of Canadian resources before they are exported. Energy exports could be regulated by the National Energy Board.

Procurement Policies: The Ontario and federal governments should assess and coordinate procurement in areas such as health care in order to further Canadian industrial capacity and expand employment.

2. Research and Innovation:

Research and innovation are central to industrial development and job expansion. Given the weakness of small and medium-sized manufacturers the Ontario government should support expanding the National Research Council and its Industrial Outreach (Industrial Research Assistance Program (IRAP)).

There should also be expanded support for new and substantial corporate investments in research and development by Industry Canada's Technology Partnerships Canada. Some of this support has already occurred in sectors

such as aerospace, auto and the environment. More can be done with an inclusive approach by the government of Ontario wherein all stakeholders are brought together for their input.

3. Expand Education and Training:

We support greater federal investment in education through a public, pan-Canadian child care and early learning program, plus a separate transfer to the provinces for post-secondary education tied to the gradual elimination of tuition fees and other barriers to widespread participation.

We also need the development of training leaves for workers under the EI program and incentives under EI for employers who invest in lifelong learning for workers.

The Ontario government should establish a 1% training levy on the Quebec model which was implemented to ensure a minimum level of employer investment in worker training.

Joint labour-management training committees should be mandated.

Further investment in education and training alone does not guarantee good jobs. However, good education and lifelong learning systems will encourage higher skill business strategies and help address potential skill shortages.

4. Exchange Rates:

The Government of Ontario should bring people together to discuss ways in which the federal government could intervene with others in the G-7 to maintain the Canadian dollar at a realistic level, as opposed to the destabilizing swings in exchange rates that we have recently experienced.

The Canadian dollar was at a low of 62 cents compared to the US dollar in 2002 and is about 90 cents US today. This alone has caused devastation in the forest industry and plant closures in manufacturing resulting in thousands of job losses.

5. Energy:

The partial privatization of hydro and the move from non-profit electricity to market prices has greatly contributed to the closure of many mills in the forest industry throwing thousands of workers out of work.

Energy costs need to be reduced and long-term controls need to be enacted to assist this industry and return forestry workers to gainful employment.

6. Labour Adjustment:

Even with the implementation of positive job measures, jobs will continue to be lost given a higher exchange rate, higher energy costs and manufacturing export capacity in Asia.

Companies laying off workers will, therefore, continue to have a responsibility to assist in adjustment and this needs to be mandated under employment standards legislation.

Workers affected by major layoffs and closures must be given reasonable notice, adjustment committees need to be mandated and minimum severance pay must be increased.

To give voice to the concerns and interests of labour and business, the labour market partners and EI premium payers as well as the voluntary sector involved with service delivery, there is a need for a labour market partners forum. The establishment of a partners forum is critical to ensuring that any agreement furthers the skill development, literacy, adjustment and employment of working people, unemployed and employed alike.

7. Employment Insurance (EI) Benefits:

EI regular benefits need to be significantly raised. Far too many workers do not qualify for benefits and the duration of benefits in regions with a low overall unemployment rate is too short. The five-week extension of maximum benefits now available in regions of very high unemployment should, at minimum, be extended to all regions. 50 weeks?

Where an employer is obliged to pay severance, EI benefits are delayed. This rule should be eliminated immediately so as to facilitate the negotiation of good adjustment packages. The older workers' adjustment program should be reintroduced. Older workers often are required to learn new skills and to move to another part of the country.

Mobility assistance should be provided under EI to facilitate a job search and cover moving costs.

8. Apprenticeships:

The Government of Ontario needs to recognize that the shortage of skilled trades persons is not a problem of information sharing, communications or

lack of interest in acquiring a trade by individuals. The real issue is the number of apprenticeship positions available.

We therefore call upon the McGuinty government to initiate consultations on the establishment of a Provincial Training Levy to deal with the shortage of job opportunities for apprentices.

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We need more public control over investment capital and strong government intervention in the economy if we are to move toward full employment and slow the ravages of neo-liberal globalization.

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