
CHAPTER 12

JOB CREATION PROGRAMS

In looking at the work of the Job Creation Branch, the Committee turned its attention away from the established methods of achieving manpower policy objectives to review a group of highly visible programs developed by that Branch. Mr. Manion described the job creation program area as:

The least traditional and the most unusual program we operate. We think it is highly innovative. We believe we have only just begun to explore the possibilities of this program. (7:5)

At the end of 1975 as a result of the restriction on government expenditures arising from the anti-inflation program, some of the programs of the Job Creation Branch considered by the Committee in reviewing the Division's estimates for 1974-75 were altered or in the case of Opportunities for Youth, were terminated. The Committee's views on these programs are relevant and have been included.

The Job Creation Branch was created in 1973 to bring under unified administration three distinctive programs designed to reduce unemployment. The programs themselves in some form, however, have been in operation since 1971. These are: Opportunities for Youth (OFY), a summer student employment program which was transferred from the Department of Secretary of State; Local Initiatives Program (LIP), essentially a winter works program; and Local Employment Assistance Program (LEAP), a program directed toward raising the level of work skills of the chronically unemployed.

The genesis of these programs was the belief that a flexible approach was required to deal with the cyclical character of seasonal unemployment. The innovative aspect of this approach was the decision to draw on the direct initiative of local community groups and municipalities to originate short-term, labour intensive non-profit projects for which the federal government would pay a grant to cover the remuneration of the participants. In the beginning the prime requisite to qualify for a grant was that a project create employment for those who otherwise would be unemployed.

The breakdown of expenditures by the Manpower Division for 1973-74 shows that \$156,531,479 (or 23.80 per cent of the total) was spent to reduce unemployment through job creation programs. This money was provided through a vote in the Supplementary Estimates, the wording of which established the authority for the payment of grants "for the purposes of providing employment to unemployed workers and contributing to the betterment of the community." (Estimates 1974-75; 14-14) The job creation programs have not