Q: If 85% of the population are doing all right, why bother with job creation at all?

A: Through unemployment insurance, welfare and lost tax revenue, we paid each of the 1,797,000 employable jobless in 1985 $14,645 to produce nothing. In addition, for each of them we lost $14,040, the value of the goods and services they would have produced had they worked.

Q: Might it not be cheaper to keep a person unemployed rather than create a job for that person?

A: No. It costs our society twice as much to keep a person unemployed (see para. 192 above).

Q: Can one create jobs and not cause inflation?

A: Yes (see para. 202 above).

Q: Can one create jobs and not increase the deficit?

A: We have seen that we can (see para. 202 above).

(216) We have seen, moreover, that such job creation as examined here will improve many things that we have seen to be bad in our economy (para. 202); consumption, investment and income after taxes will increase, economic growth will increase; government expenses will go down; government revenue will increase.

(217) Having established all this we can now look at training-plus-job-creation schemes without fear of being told we cannot afford them. These could be joint ventures between entrepreneurs and governments. By paying, say, $7,000 to $9,000 a year towards a new employee's wages, governments would make hiring this employee cheaper for an entrepreneur, especially in naturally labour-intensive fields. Joint ventures putting entrepreneurs and governments in partnership will make for better, bottom-line management, plus detailed knowledge of where public funds are going (Dobell, para. 40). Such job creation subsidies to business should be treated as tax-free income for those firms that furnish necessary and indisputable proof that the subsidized jobs are jobs they would not have created in any case, even without the subsidy.

(218) Moreover, such schemes will make training and re-training cheaper for entrepreneurs. Thus, the costs of labour and training will decrease. This will help price stability (Rehn, para. 13).

(219) One way to operate such a scheme would be to have the participants work four days and train one day a week. They would be paid $7.00 an hour for a 32-hour week. The fifth day they would be trained, at no cost to themselves. The training would cost $7.00 an hour.

(220) The training could be either to improve their skills in the job they hold; to acquire better core-skills that are transferable (para. 7); or to acquire skills for another job so they can change their occupation and improve their prospects.

(221) People on unemployment insurance or welfare would not be forced to participate in a job-creation-plus-training scheme. There are enough of them who will do so voluntarily.

(222) People could leave a job they already hold and take a position in a job-creation-plus-training scheme. If they do this, they will vacate the job they already hold so that someone else can fill it.

(223) Our witnesses said that in other countries, as in Canada, the contents and form of job-creation or training schemes (or combinations of both) can best be designed, administered, supervised and evaluated locally (Paquet, paras. 1 to 8). We believe this. Therefore, we shall not go into details of the sectors or regions in which specific job-creation-plus-training schemes can be set up. We did prepare a list (see para. 200 above) of where some 600,000 jobs could be created, but that was a hypothesis to feed into the econometric models which we used to evaluate the consequences for the economy of such job creation and not as a centralized plan to be imposed by the federal government.

(224) However, a further illustration may serve to show how useful the job-creation-plus-training approach can be: for example it can make a public, national day care system affordable for children whose parents work or study more than 20 hours a week, as proposed in the Report of the Royal Commission on Child Care, chaired by Dr. Katie Cook. The job-creation-plus-training option suggested above