

**Chair's statement**  
**The Honourable Diane Finley**  
**Minister of Human Resources and Social Development Canada**

**OECD Job Strategy Launch**

*Boosting Jobs & Income:  
Lessons from OECD Country Experiences*

**Toronto, Ontario**

**June 16, 2006**

Today, OECD Ministers, at the conclusion of their 2-day meeting in Toronto, welcomed the OECD's new Jobs Strategy. They agreed that the original Jobs Strategy adopted in 1994 had been useful to reduce unemployment, but the time has come to take stock of successes and failures, and assess how it could be updated to respond to 21<sup>st</sup> century challenges.

Most OECD nations are grappling with the potential repercussions of ageing populations on labour markets and living standards. The growing integration of economic giants like China, India and Brazil in the world economy offers significant new opportunities but requires adjustment as well.

To meet these challenges, the new Jobs Strategy calls for action in four key areas:

- First, macroeconomic policies should facilitate higher economic growth hand-in-hand with labour- and product-market reforms. Macroeconomic policies should also ensure that slowdowns do not lead to permanent falls in employment.
- Second, reforming taxes and social benefits, enhancing job-search support to jobseekers and adopting family-friendly arrangements like child-care support are key to promote labour market participation. This is especially important for under-represented groups like young people, women, older workers, people with disabilities, aboriginal and indigenous people, and immigrants.
- Third, labour- and product-market regulations need to adjust so as to support job creation and mobility. This can be done in a manner which protects workers against job loss.
- Fourth, human capital is also essential: enhanced skills are good for economic growth and good also for social progress. This justifies greater efforts to enhance human capital in a lifecycle perspective, and putting in place effective training and apprenticeship systems, as well as systems of accreditation of skills, including for immigrants.

Ministers agreed that the restated Jobs Strategy is a good basis for formulating policy. Importantly, there is no single approach to achieve good labour market performance. Several successful performers combine low levels of social benefits, low taxes and light employment regulations. Other successful countries offer generous, but well-designed social benefits.

A common feature of any successful approach is an emphasis on strong product market competition and sound macroeconomic policies.

Ministers asked the OECD to support their efforts to implement the restated Jobs Strategy by monitoring progress in each member country; shedding further light on what works and what doesn't in each of the four pillars; and developing labour market and skill indicators.

Taking action along the lines recommended in the restated Jobs Strategy will strengthen labour market performance and, most importantly, improve living standards.