

# Meeting of the OECD Council at Ministerial Level

Paris, 1-2 June 2016

## DECLARATION ON ENHANCING PRODUCTIVITY FOR INCLUSIVE GROWTH

# **Declaration on Enhancing Productivity for Inclusive Growth**

**WE, MINISTERS AND REPRESENTATIVES** of Austria, Belgium, Canada, Chile, Colombia, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States:

**CONSIDERING that:**

1. In a context of weak global growth, many governments face the challenges of slow productivity growth and increased income inequality and inequalities of opportunities.
2. Some of the causes of slow productivity growth may also be driving inequalities.
3. We need to identify ways to build on technological advances and innovation in order to foster productivity growth in all sectors of the economy, as well as ensuring that this translates into broadly shared gains in well-being.
4. We recognise the need to boost trade and investment to both foster productivity and inclusive and sustainable growth.
5. We need further work to strengthen our understanding of the causes of slow productivity growth and possible links to increased income inequality and inequalities of opportunities.

**DECLARE that we:**

1. SUPPORT the work of the OECD to improve our understanding of the micro and macro-economic underpinnings of aggregate productivity growth and possible links between firm-level productivity, the allocation of resources, increased income inequality and inequalities of opportunities.
2. CALL on the OECD to:
  - IDENTIFY policies to foster productivity growth while considering its possible impact on inclusive and sustainable growth, promoting synergies and identifying possible interactions.
  - STRENGTHEN our understanding of the relationships between skills, productivity and inclusive growth.
  - EXPLORE policies to reap the benefits of the digitalisation of the economy and societies, and assess its impact on both productivity and inclusive growth in the short and long term.
  - PROMOTE measures to ensure a level-playing field for business by assessing the factors affecting the well-functioning of markets and market entry or exit in specific markets; including those associated with R&D support, regulation, obstacles to trade and foreign investment, competition and taxation.
  - FURTHER EXPLORE the contribution of the public sector to productivity.
  - WORK further to improve the measurement of public and private sector productivity.
3. PLAN to work to foster a dynamic business environment and inclusive labour market for enhancing productivity growth and reducing inequalities, while recognising the benefits of social dialogue.

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