Employment

Employment and job creation remain a prime concern and objective for summit countries. Not all countries have yet seen a satisfactory recovery in job growth, and more needs to be done in some cases to improve structural performance and to restore sound long-term fiscal positions. Canada's rate of job creation remains among the best of summit countries: over the last 3½ years employment has risen by about six per cent. However, Canada's labour force growth has also been among the highest of the summit partners, outpacing job creation. Nevertheless, the strong outlook for Canadian growth over the next year will lead to further robust increases in employment.

Summit countries are implementing a number of policies to promote employment. These include enhancing incentives to work and lowering payroll taxes, improving and matching skills and education to demand, fostering entrepreneurship and helping disseminate new technologies.

In Canada, the government has focused its jobs strategy on generating economic growth and creating an environment conducive to private sector job creation by setting the conditions for strong private sector performance in a knowledge-based economy and society. This means a global economy driven by information technologies and the strategic use of knowledge. Government initiatives have stimulated increased use of technology by all economic sectors, established measures and incentives for increased private sector research and development and innovation, promoted the trade and export potential of small and medium-sized enterprises, encouraged the development of a lifelong learning culture for all Canadian workers, and targeted investment in key industrial sectors. Other measures include reform of the Employment Insurance Program to cut contribution rates and a shift in spending to active labour market policies.

On February 18, 1997, the federal budget presented a variety of job creation initiatives that included

- restoring Canada's fiscal health to produce economic conditions for strong private sector job creation;
- promoting youth employment through internships and opportunities for work experience;
- supporting small-business growth and job creation through financing assistance and employment insurance premium relief;
- assisting the renewal of infrastructure in urban and rural communities;
- providing assistance for skills development and post-secondary education; and
- investing in technology and promoting innovation.