

## Backgrounder

### OECD MINISTERIAL MEETING, May 23-24, 1995

The Paris meeting of ministers from the 25 member countries of the Organization for Economic Co-operation and Development (OECD) will focus on three key themes: economic growth, employment, and social progress; strengthening the multilateral trade and investment system; and the OECD of tomorrow.

#### ECONOMIC GROWTH, EMPLOYMENT, AND SOCIAL PROGRESS

##### Growth and job creation

- The economic expansion became increasingly well entrenched in a growing number of OECD countries, including Canada and the United States. In the European OECD economies, the recovery gained momentum while in Japan it has yet to become well established. The OECD expects Canada to have among the strongest growth rates among member countries in 1995. The recovery will likely strengthen in Europe and Japan while growth will ease in the United States.
- As a result, employment is recovering or at least levelling off in most OECD countries. However, unemployment rates remain high in many member countries, particularly in Europe. In Canada, where job growth has been particularly strong, the unemployment rate has declined to 9.4 per cent from 11.4 per cent at the beginning of 1994.
- The Canadian approach to jobs and growth and job creation includes measures aimed primarily at fostering innovation throughout the economy, productivity growth, and improving labour force skills.
- High unemployment – particularly in Europe – technological change, and aging populations have led to concerns about the social impact of these changes.

##### The contribution of the OECD

- The OECD is following up on a request by G-7 governments to expand its analysis on job creation and job loss by undertaking an in-depth analysis of member countries' policies in areas ranging from active labour market policies to unemployment and related benefits and their impact on the tax system.
- The OECD, in response to a G-7 request, is also following up on its employment-unemployment study by undertaking further analysis to better understand the broad set of policies