

BACKGROUND NOTE ON THE OECD

The Organization for Economic Cooperation and Development (OECD) is the forum in which representatives of the governments of the industrialized countries share information on their domestic economies and consult on approaches to international economic, trade and social policy issues. The OECD Council, comprising all 24 member states including Canada, meets once a year at ministerial level. Committees and Working Parties meet regularly throughout the year. The OECD Secretary General is Jean-Claude Paye who last visited Canada in October 1986 at which time he was received by the Governor General, the Prime Minister and a number of Ministers including the Secretary of State for External Affairs, the Minister of Finance and the Minister for International Trade.

For Canada, a major role of the OECD is to provide a forum for consensus building among industrialized nations and there is a pressing need to reach consensus on the agricultural issue. Last year's Ministerial made a real contribution by focussing the attention of all participants squarely on agricultural problems. Since that time, the OECD Trade and Agriculture Committees have finalized a report to Ministers based on some excellent analytical work by the Secretariat and this year's discussion is expected to be much more action-oriented.

On the trade policy front, the OECD can be a valuable forum for analysis and consensus building in support of the Uruguay Round. Services, trade-related investment measures and trade-related intellectual property rights are current priority areas.

The OECD is perhaps best known for its general economic work which is recognized as highly authoritative. Its comparative economic analysis provides an objective standard against which individual countries can measure their own economic performance. In this respect, the semi-annual OECD Economic Outlook and the annual review of the Canadian economy have been very valuable. In view of recent downward revisions to the outlook for growth, this year's Ministerial will focus on ways of revitalizing economic activity throughout the OECD area.

An important OECD report on Structural Adjustment and Economic Performance reached completion this year and several OECD committees have considered it in recent months. The report brings together a great deal of analysis on adjustment under a variety of rubrics including trade, agriculture, training, research, labour markets and social policy. Recommendations for policy based on this report will form part of the Ministerial discussion.