

Business to OECD Labour Ministers: Sustainable Enterprise Creation Key For Job Creation

Paris, 28 September 2009 – “In the face of the current financial and economic crisis, lack of access to credit continues to negatively impact companies’ ability to create jobs and ease the jobs crisis,” said BIAC Secretary General Tadahiro Asami in advance of the OECD Employment and Labour Ministerial meeting taking place this week in Paris. “While Government stimulus measures have had positive impacts, long term recovery will not be achieved through continued subsidies, income support or public sector job creation alone. The goal must be a return to sustainable enterprise creation, which is the necessary basis for sustainable job creation.”

At the Ministerial consultation with social partners BIAC highlighted that business appreciates the quick and concerted action of governments to implement stimulus measures, which are working to restore financing and compliment company efforts to retain workers in the economic down turn. However the lack of credit issue continues to be a major challenge for companies, particularly for SMEs, and financial stabilisation must continue to be a top priority for governments to support job creation.

Business has made it a priority to retain jobs where possible through measures such as reduced working hours, work sharing, extending unpaid leave and production cut backs. This has been possible in part due to stimulus measures such as income supports, and extension of unemployment benefits as well as support for education and training and other activation measures.

At the same time, labour market rigidities and non-wage labour costs continue to pose significant barriers to employment creation – continued structural reform is necessary. Government measures should continue to target the most vulnerable, and in particular youth.

In this regard, business supports the important contribution OECD provides through its fact based multidisciplinary analysis to employment and social policy issues, as well as its ability to serve as an important forum for dialogue among governments and stakeholders.

“The OECD Ministerial is an important part of the ongoing dialogue among governments and stakeholders,” added Asami. “Business is encouraged by the proposed G20 Labour Ministers meeting in early 2010, and its consultation business and labour. This dialogue is critical to continued focus on practical measures to end the current jobs crisis. OECD is an important actor in this to this process.”

BIAC’s policy statement to the OECD Ministerial is available at:

www.biac.org/statements/elsa/Fin_2009_BIAC_OECD_Labour_Ministerial_Statement.pdf

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