

Dear Ministers, Dear Secretary-General, Ladies and Gentlemen,

- On behalf of Chile and the MCM Bureau, it is now time for me to close this year's OECD Ministerial Council Meeting. We have had two days of candid dialogue and fruitful discussions on the main challenges we currently face. And more importantly, the policy options to address them. The discussions in the breakout groups and plenaries have been rich in ideas and recommendations.
- Secretary-General, when you introduced President Bachelet yesterday, you praised Chile's commitment to reform and transformation. Our President declared **the "Year of Productivity" in Chile**. This has involved a collective effort by the public and private sector to develop new ideas to enhance productivity for inclusive growth.
- The twin challenge of boosting productivity and reducing inequality is key all the countries present here today.
- The Economic Outlook presented yesterday reminds us that global economic growth is persistently weak, and that there are important downside risks. Trade and investment are sluggish, and unemployment remains at high levels in many countries. We have discussed in depth the global economy and expressed strong support for a balanced mix of monetary and fiscal policy, where there is policy space, and structural levers all of which will strengthen trade and investment. Public investment and stepping up skills and active labour market policies should be key ingredients.
- In order to deepen our understanding of the relationship between productivity and inclusiveness, this year's MCM theme was Enhancing Productivity for Inclusive Growth. We knew that such a theme would not be easy to grasp, as it involves an

array of complex issues. The OECD was up to the challenge through its report on the *Productivity Inclusiveness Nexus*, which is an important step in identifying drivers of the slowdown in productivity growth, rising inequality and their interaction.

- We have mandated the OECD to strengthen the evidence base for productivity analysis and the productivity inclusiveness nexus. Leveraging the Global Forum on Productivity will deepen our understanding of the micro and macroeconomic underpinnings of aggregate productivity growth.
- In this context we are adopting a **Declaration on Enhancing Productivity for Inclusive Growth**, calling on the OECD to identify policies to foster productivity growth; strengthen our understanding of the relationships between skills, productivity and inclusive growth; explore policies to reap the benefits of the digitalisation; and promote measures to ensure a level-playing field for business.
- We urge you to continue advancing this agenda, and other key policy areas identified by Member Countries as discussed in the context of the *Secretary-General's Strategic Orientations*, including further strengthening the international tax system; fighting international corruption; supporting the integration of migrants; and promoting policies to reduce the inequality and enhancing citizen's engagement and confidence.
- We discussed efforts to increase productivity and generate inclusive growth in different dimensions.
- We analyzed how to capitalise from the digital revolution, recognising that this is a policy issue that gives us plenty of opportunities given its strong links to trade, innovation, productivity, entrepreneurship, education, skills, and employment, to

name just a few areas. In this area we recognize the need for an adequate and continuous up-to-date regulation, taking due consideration of public interest.

- We expressed our strong support to OECD ongoing work on skills, including policies to address skills' mismatches, support lifelong learning, place a greater emphasis on STEM (science, technology, engineering and math) subjects. We consider particularly important the engagement of women in these areas. We also need to broaden the definition of skills, for example to include cognitive and socio-emotional skills.
- We also called on the OECD continue work on **the Next Production Revolution and the Future of Work** and deepen its analysis on the impact of emerging technologies. This calls for a reinforcement of the OECD's strategic foresight capacity, which can help countries anticipate trends and challenges, such as digitalisation, automation, ageing and what skills might be needed in the future.
- In particular, we emphasized that inclusive growth requires looking at the technology diffusion process. We noted that diffusion is slower than in the past. We expressed support for a specific focus on competition policies and coherent regulatory framework.
- We also all agreed that enhancing productivity for inclusive growth means delivering on the universal agenda for inclusive and sustainable development agreed in 2015. Given its expertise on data-based policy guidance, the OECD has an important role in helping countries meet their COP21 commitments and implementing the Sustainable Development Goals, in close collaboration with the UN system.

- We welcome the **OECD Action Plan on the Sustainable Development Goals**, and we call on the OECD to examine the implications of policy responses to address climate change on macroeconomic and structural policy settings.
- We recognize the need to boost trade and investment to foster productivity and achieving higher and sustainable growth. We concluded that an open, rule-based multilateral trading system that is calibrated to the rapidly evolving global economy is critical for this purpose.
- We congratulate the OECD for expanding its global outreach with the **accession of Latvia**, and the progress made by Colombia, Costa Rica and Lithuania towards OECD Membership.
- And last but certainly not least, we pleased with the OECD's efforts to increase its work with emerging economies through the launch of the **Latin America and the Caribbean (LAC) Regional Programme**, which Chile has led with great enthusiasm. I would like to thank for your support for this initiative.
- Ministers, Secretary-General, Ladies and Gentlemen,
I would like to close by thanking our Vice-chairs, Ministers and other representatives, the Secretary-General and the whole OECD Secretariat for a successful and productive MCM.

Thank you.