

Unemployment to remain high on persistent flagging growth: OECD

PARIS, July 10 (Xinhua) -- The Organization for Economic Cooperation and Development (OECD) on Tuesday said unemployment rate of its member states would remain high until at least the end of 2013 due to weak global economic recovery.

In its latest Employment Outlook 2012 report, the Paris-based organization said the regional unemployment rate of the OECD would remain high at 7.7 percent next year. That means around 48 million people would be out of work across the region in 2013.

A total of 14 million jobs would have to be created for young and low-skilled people in the OECD area in order to bring the unemployment rate to pre-crisis levels, the report said.

"The recent deterioration in the economic outlook is very bad news for the labor market," said OECD Secretary-General Angel Gurría.

"It is imperative that governments use every possible means at their disposal to help jobseekers, especially young people, by removing barriers to job creation and investing in their education and skills," he added.

"The young are at most risk of long-term damage to their careers and livelihoods. Targeting the most cost-effective policies is essential," Gurría said.

In the 17-member euro area, the unemployment rate hit a record high of 11.1 percent in May.

Spain was still the country with the highest unemployment rate of 24.6 percent, compared to the United States which reported a rather stable figure of 8.25 percent.

The OECD report urged countries to "coordinate and implement additional fiscal and monetary measures to support demand and boost job creation."

It recommended structural reforms of the labor markets with a focus on boosting investments that are aimed at improving people's skills.

"Investing in education and skills more broadly is crucial. There are unemployed graduates on the streets, while employers search in vain for people with the skills they need. This demonstrates that skills do not automatically translate into better economic and social outcomes," Gurria said.