

**APEC Ministerial Meeting
Vladivostok, September 5-6**

Joint Statement

ANNEX E

Investing in Human Capital

The APEC region continues to grow strongly despite the global financial crisis. An innovative economy requires greater innovations in the field of human capital, more complex production processes and more efficient management methods. Regulators should play the role of supporting the development of human health, knowledge and skills and the creating proper environment for needed investments in human capital and improved institutional performance and infrastructure. The scale and structure of investment in human capital is the key for continuing long-term economic growth in APEC.

To address the issues related to human capital development in the APEC region, coordinated efforts should focus on the following areas:

- Education

Increased human capital flow and growing access to information and knowledge urge all APEC economies to enhance collaboration and exchange in education services. Work on specific policies, including those related to quality assurance, accreditation, mobility of students, researchers, and education providers cross-border exchange and data collection will have a significant impact on the education sector in the APEC economies and will strengthen regional ties and promote economic development through knowledge and skills transfer.

- Health

Healthy human capital is critical for further economic development and innovative growth in the APEC region. To promote healthy populations it is crucial to support and invest in health and healthy lifestyles throughout the life course starting from maternal, infant and child health which is the foundation for future health and healthy ageing. Prevention of the early onset and progression of non-communicable diseases (NCDs) can be efficiently attained through access to quality care combined with preventive interventions. Investments in economically cost-effective measures which address health and healthy lifestyles both with early detection, prevention, early intervention, and management of NCDs from maternity and prenatal care through old age provide powerful economic and social benefits and greatly contribute to sustainable economic growth.

- Employment and improving social safety nets

It is crucial to invest adequately in social safety nets that are important shock absorbers in the economic crisis in order to create a favorable business climate and secure stable economic growth. The quality of employment is an indicator of the maturity of labor relationships linking them with post retirement relationships and providing the expanded reproduction of labor resources in all their diversity - from child care and preparing children for professional life till care of the seniors and disabled. Public-Private Partnerships are important for providing quality employment and strengthening social safety nets.

- Equal inclusion

It is important to stimulate demand for human capital formation in all population groups, to provide second-chance learning opportunities and to facilitate the movement of educated labor to where it can be used most productively. Equality is important for both public and private sectors since it enables policies and regulations to simultaneously address the financial, economic, and social needs of the whole population, and enables business to understand and provide products and services that meet the demands of the entire market and to optimize financial returns. Barriers faced by different population groups in accessing capital and assets, markets and networks, skills and capacity building, information and role models, training and technology should be minimized. Promotion of equality in accessing resources to start and develop micro, small and medium enterprises is vital for enhancing job opportunities and economic growth in the APEC region.