Social partners' involvement in the European semester

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Frederik Lange, Economic Advisor
BusinessEurope Reform Barometer

• Dates back over a decade.

• Two main sections:
  1. EU global competitiveness
  2. Member’s assessment of CSR implementation

• 2018 version to be published on 20 March.
EU recovery lost ground from 2011

Real GDP, constant prices and national currency, 2007-17

Source: BusinessEurope calculations based on IMF data

- Potential growth (OECD) falling globally:
  - US 2.3% (2007) to 1.5% (2017)
  - EU 1.9% to 1.3%
Skills shortages already above pre-crisis levels

% Share of industrial enterprises indicating insufficient labour limits production

Source: European Commission

- Skills shortages now Federations’ priority issue (from 13th/20 in 2013)
It remains more difficult to do business in the EU than in the US.

Ease of doing business ranking, 2008 and 2018 reports

EU spending on R&D remains well below US and Japanese levels

R&D intensity as % of GDP in 2007 & 2015

Source: World Bank
The tax wedge on labour in the EU needs to come down

Tax wedge on average income earners (single person), 2007 and 2016

Source: OECD

Share of ‘Growth friendly public expenditure’ in overall spending remains too low:

- **US**: 43.0% (2007) 45.3% (2015)
- **EU**: 30.9% 30.4%
20% of 2017 CSRs satisfactorily implemented; (17%) 12 months ago

Member Federations’ assessment of Member States’ efforts to implement CSRs

Source: BusinessEurope survey of Member Federations
Overall implementation broadly unchanged over post-crisis period

Member Federations’ long-term assessment of the appropriateness of Member States’ efforts to implement CSRs

Source: BusinessEurope survey of Member Federations
Any questions?