

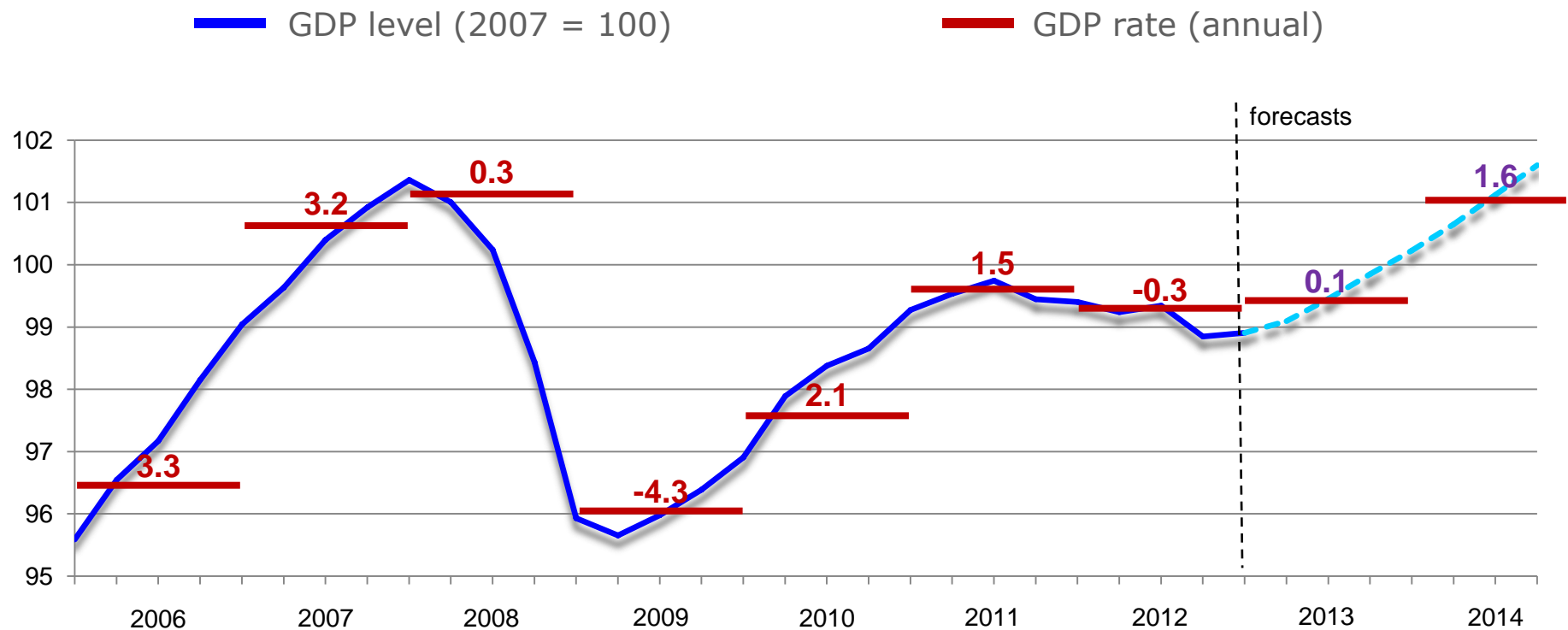


Growth, competitiveness and jobs: priorities for the European Semester 2013

Presentation of J.M. Barroso,
President of the European Commission,
to the European Council of 14-15 March 2013

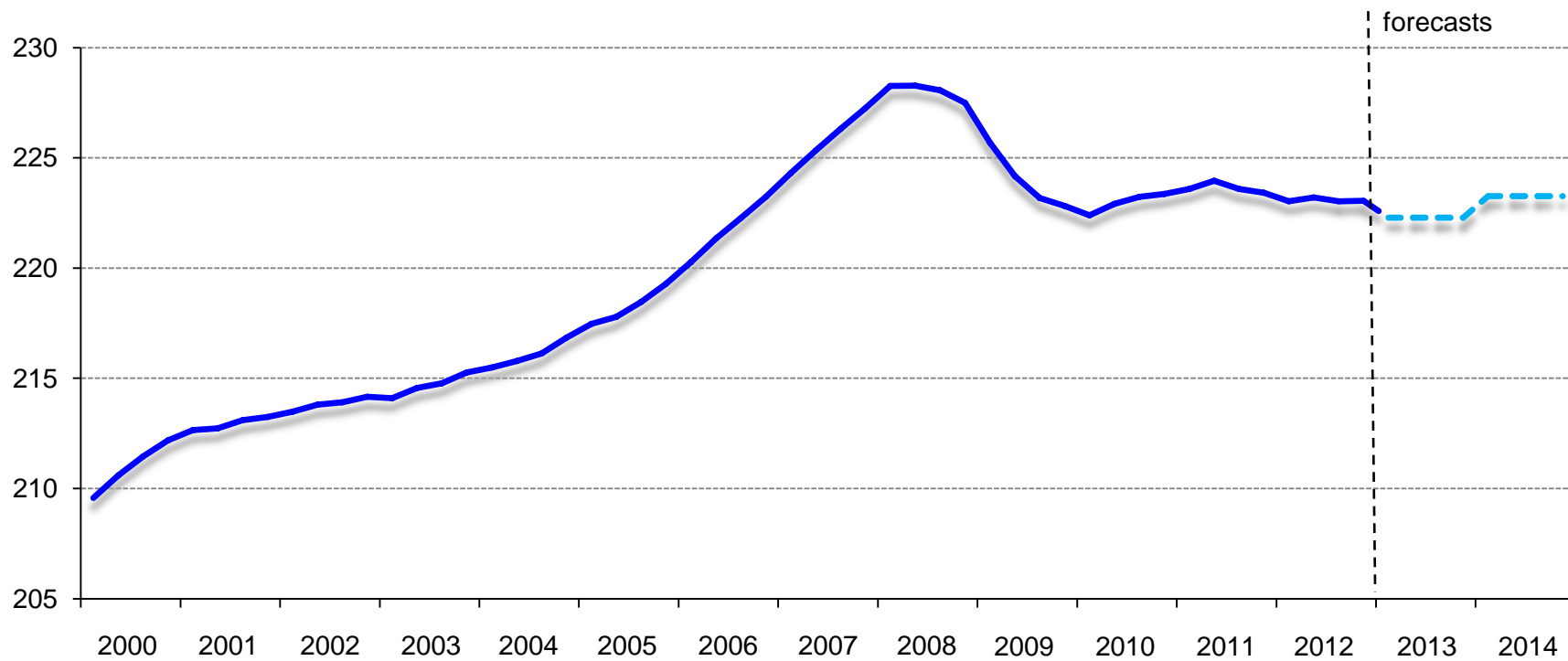
Economic recovery will be gradual

GDP trends in the EU: levels and rates



Job creation will be subdued

Number of people employed in the EU (in million)



Competitiveness is key

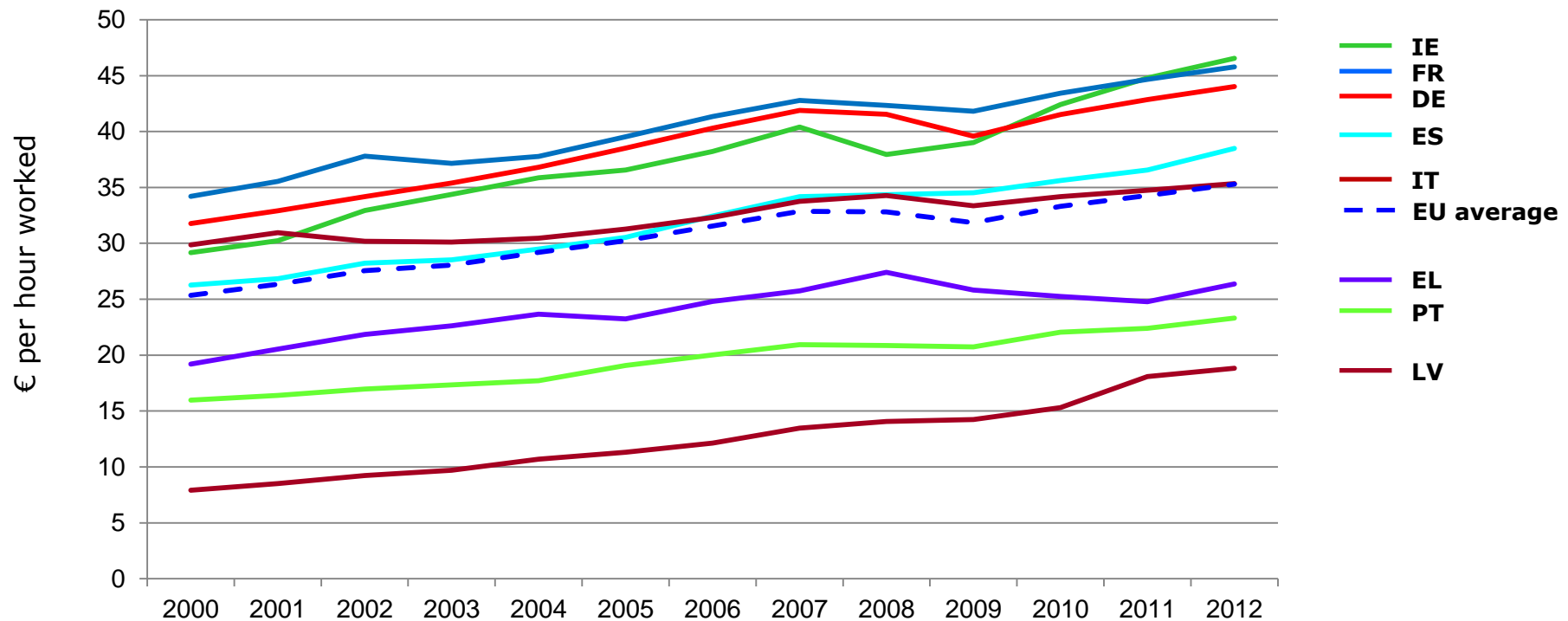
Global competitiveness index 2012-2013

Rank	Country
1	Switzerland
2	Singapore
3	Finland
4	Sweden
5	Netherlands
6	Germany
7	United States
8	United Kingdom
9	Hong Kong SAR
10	Japan
12	Denmark
16	Austria
17	Belgium
21	France
22	Luxembourg
27	Ireland
34	Estonia

Rank	Country
36	Spain
39	Czech Republic
41	Poland
42	Italy
45	Lithuania
47	Malta
49	Portugal
55	Latvia
56	Slovenia
58	Cyprus
60	Hungary
62	Bulgaria
71	Slovak Republic
78	Romania
81	Croatia
96	Greece

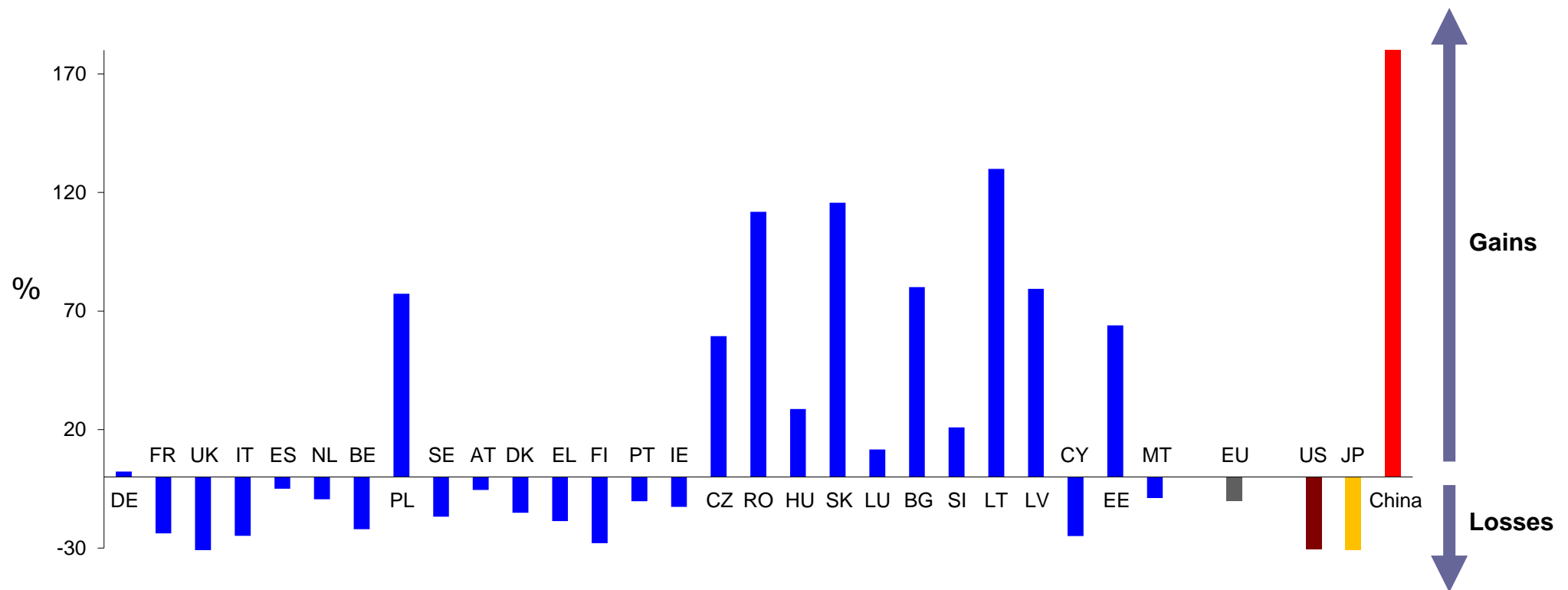
Long-term performance varies significantly

Productivity levels and trends 2000-2012 (hourly productivity levels in € per hour worked)



This shows in our trade record

Changes in the share of the world export market 2000-2011





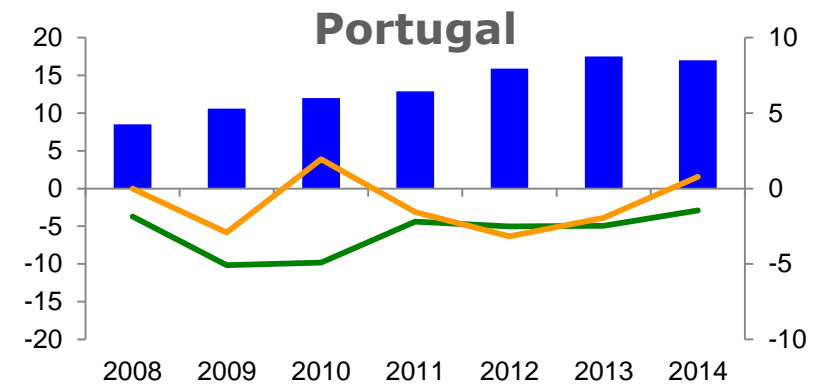
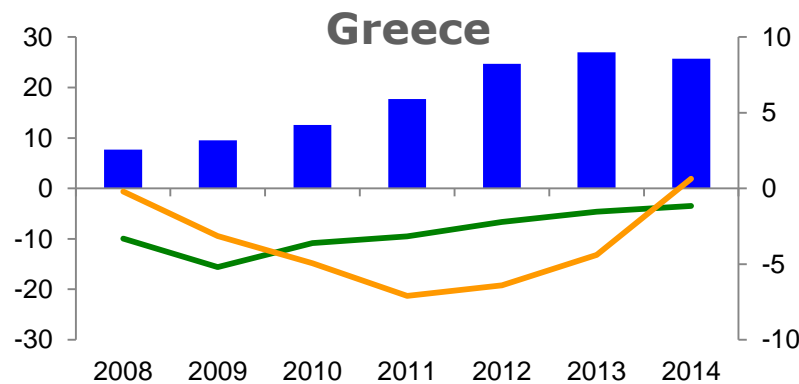
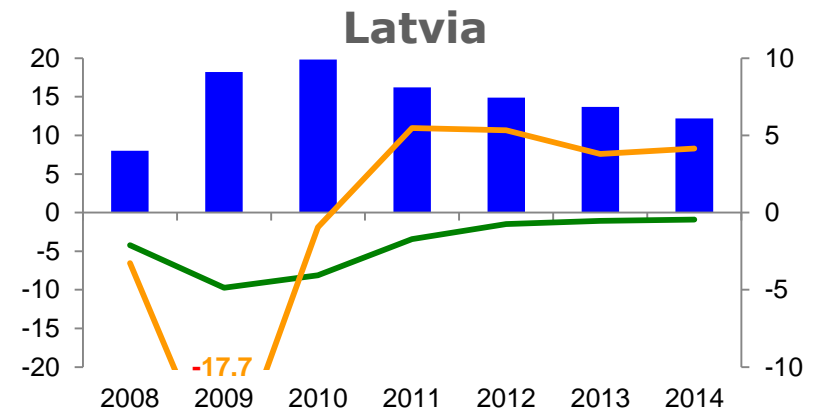
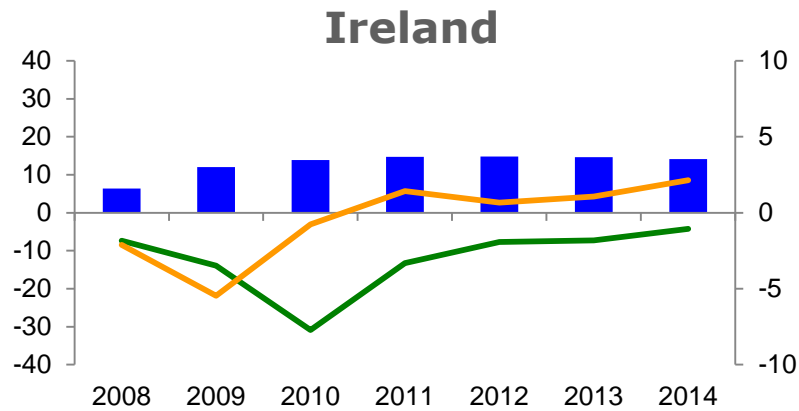
Annual Growth Survey 2013: five priorities

- Pursuing differentiated, growth-friendly fiscal consolidation
- Restoring normal lending to the economy
- Promoting growth and competitiveness for today and tomorrow
- Tackling unemployment and the social consequences of the crisis
- Modernising public administration

Fiscal consolidation and growth: a debated issue (1)

Trends in GDP, unemployment and budget deficits in selected Member States

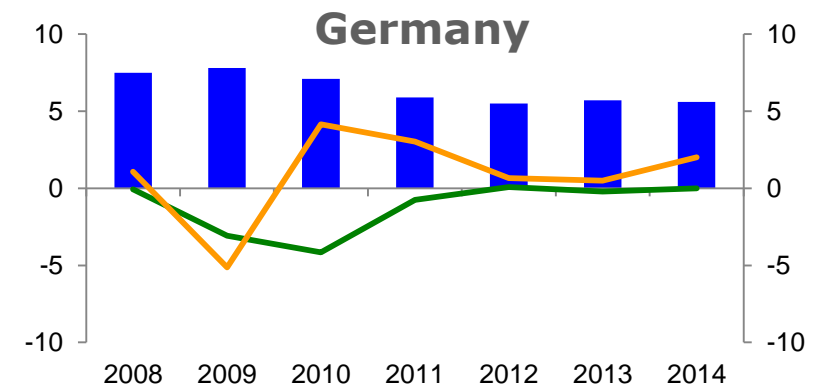
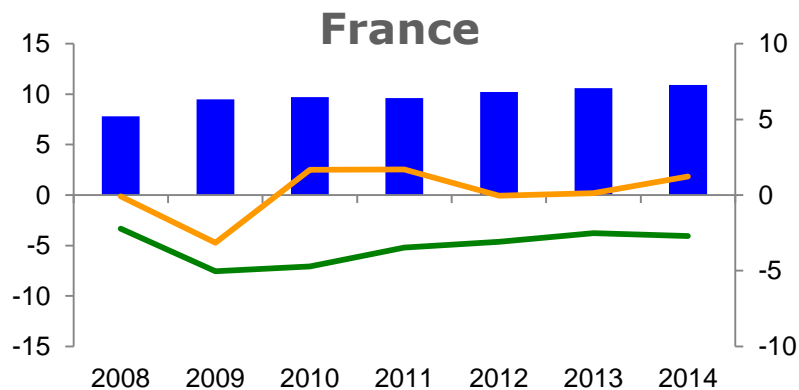
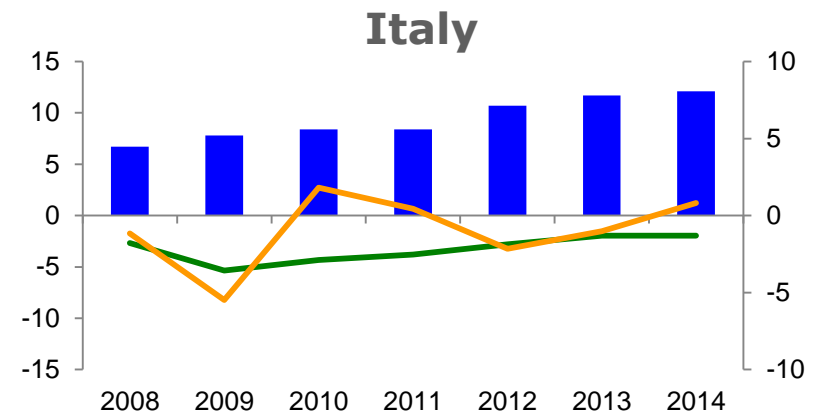
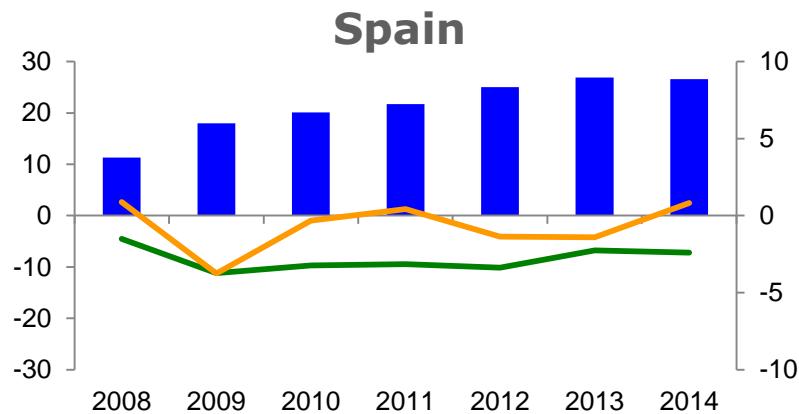
■ Unemployment rate
 — Budget deficit (% GDP)
 — Real GDP growth (right-hand scale)



Fiscal consolidation and growth: a debated issue (2)

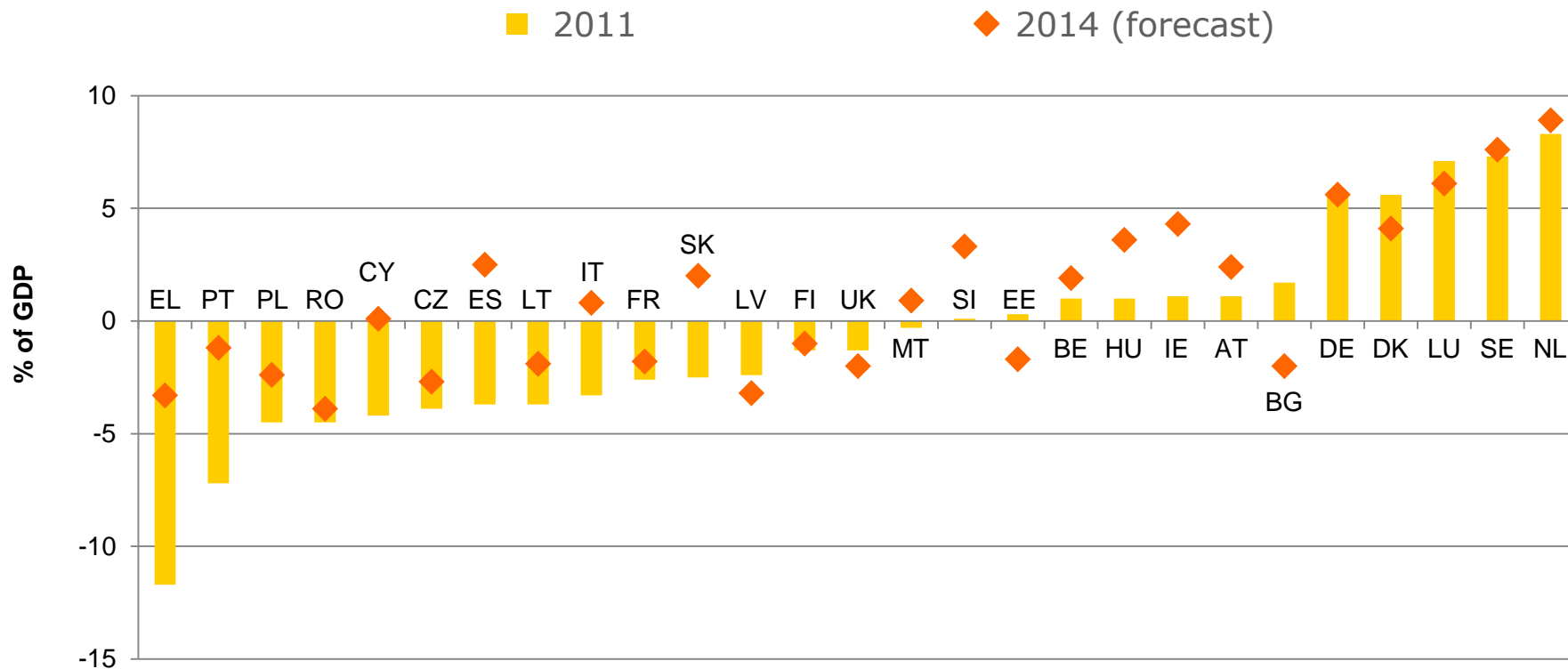
Trends in GDP, unemployment and budget deficits in selected Member States

■ Unemployment rate
 — Budget deficit (% GDP)
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Current accounts are improving

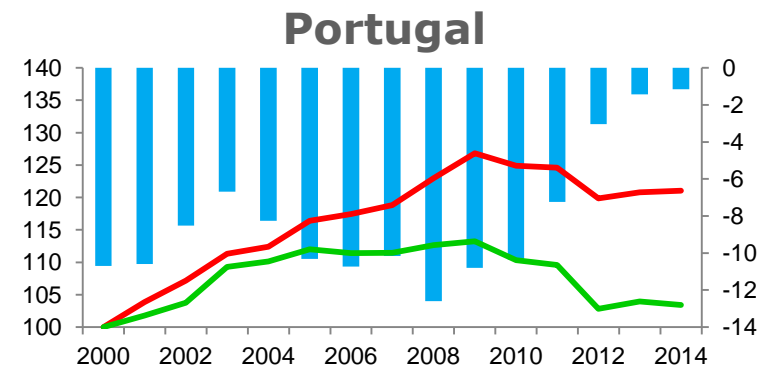
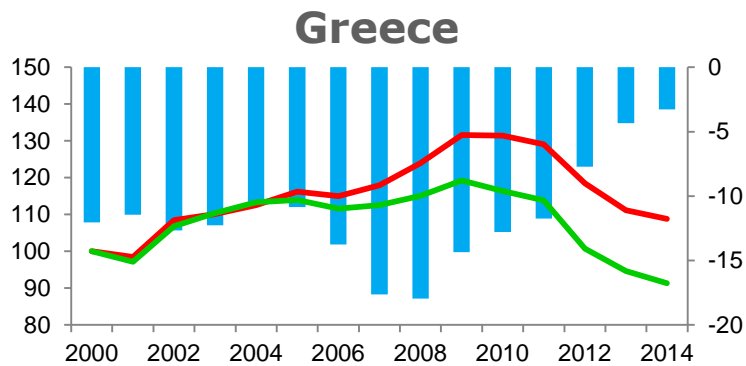
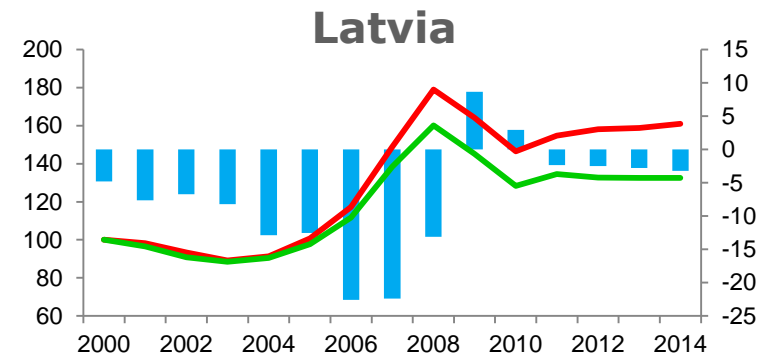
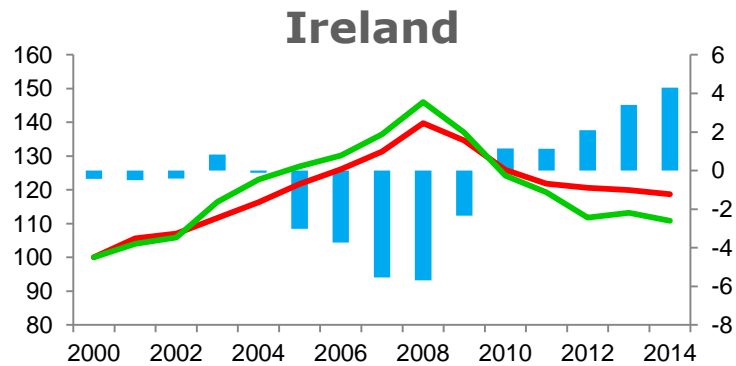
Current account balances (% of GDP)



Imbalances are being corrected (1)

Trends in current account balances and unit labour costs in selected Member States

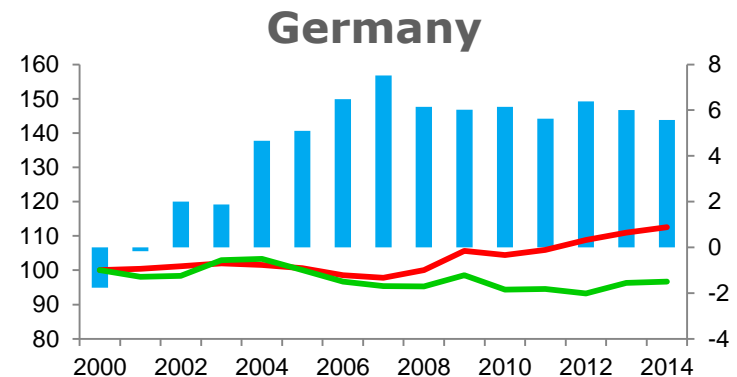
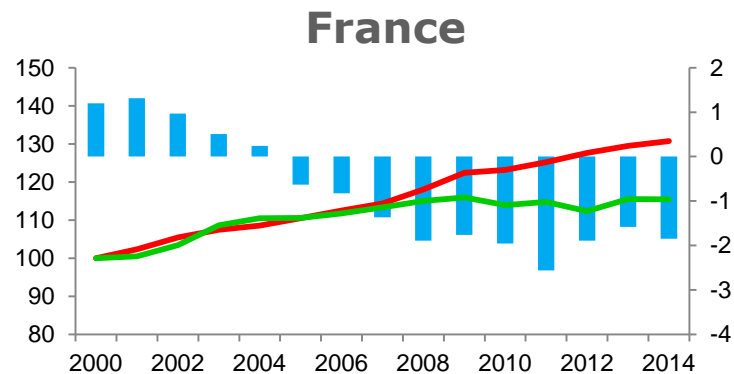
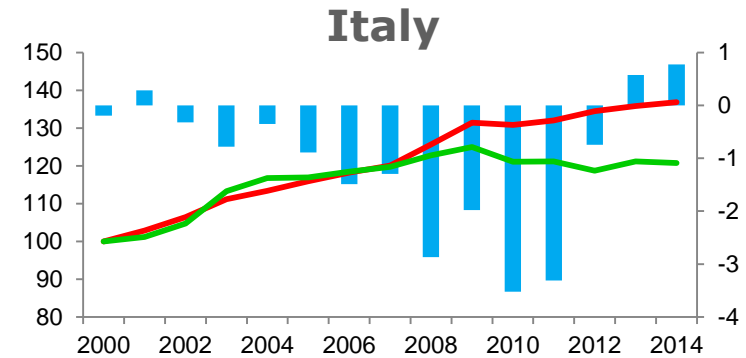
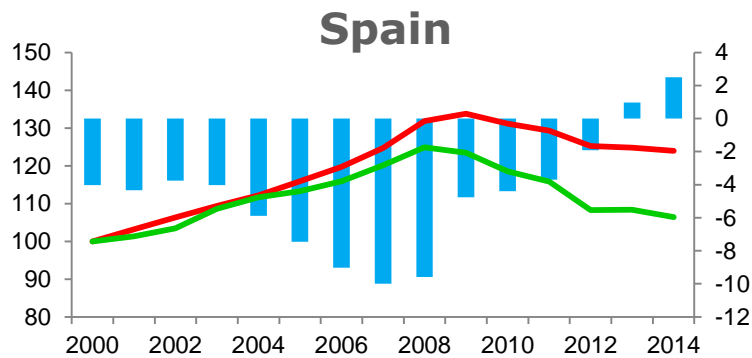
— Unit labour costs, in EUR (2000 = 100)
 — Unit labour costs relative to trade partners (2000 = 100)
 ■ Current account surplus/deficit in % of GDP (right-hand scale)



Imbalances are being corrected (2)

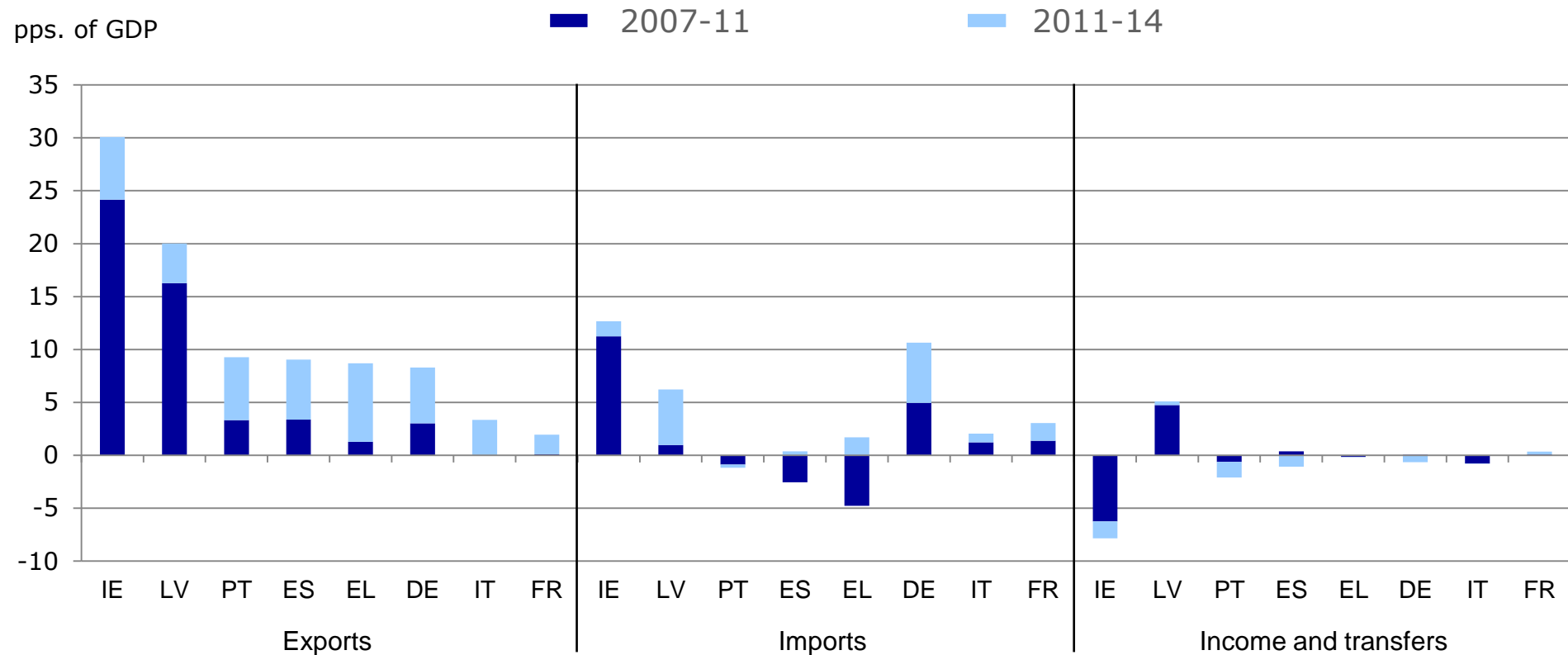
Trends in current account balances and unit labour costs in selected Member States

— Unit labour costs, in EUR (2000 = 100)
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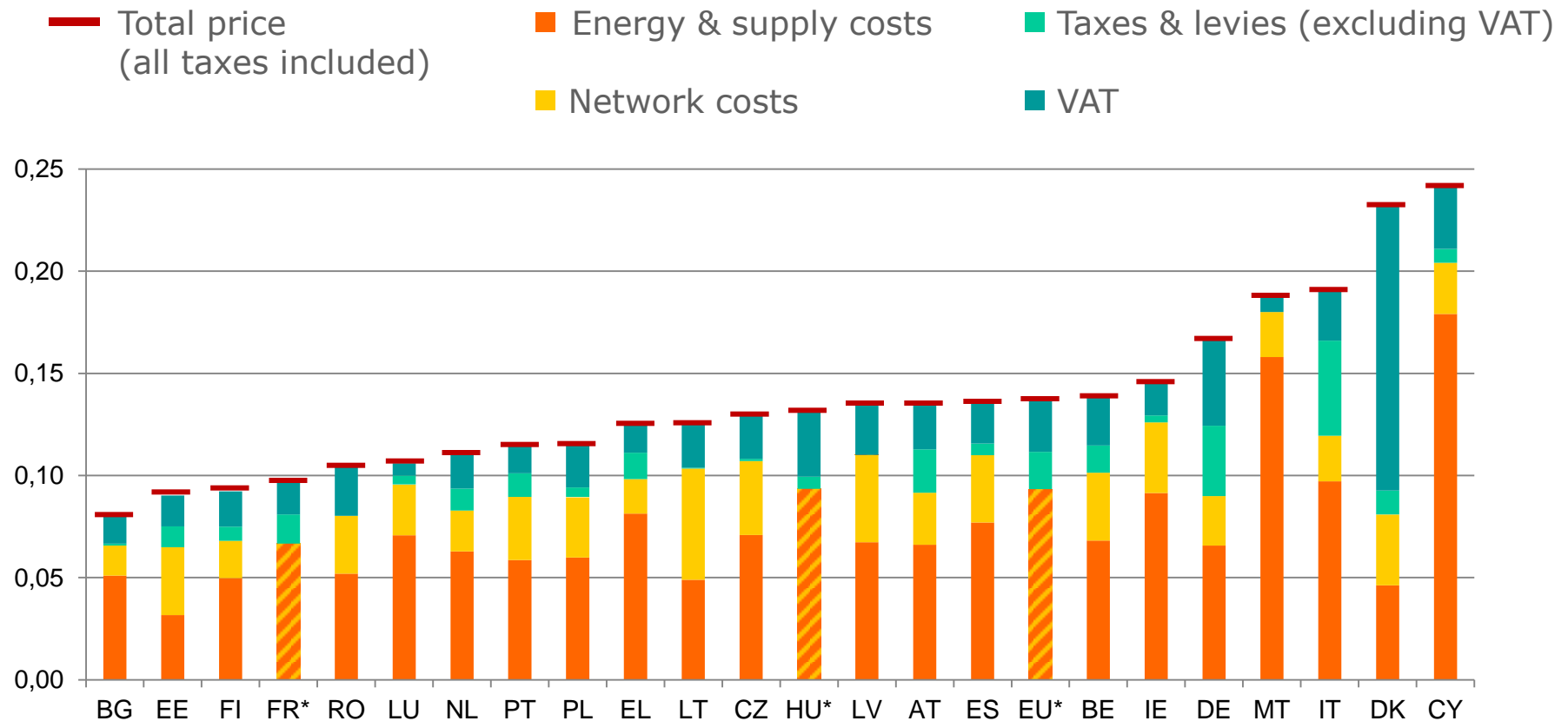
Structural adjustments are taking place

Changes in the composition of current account adjustment



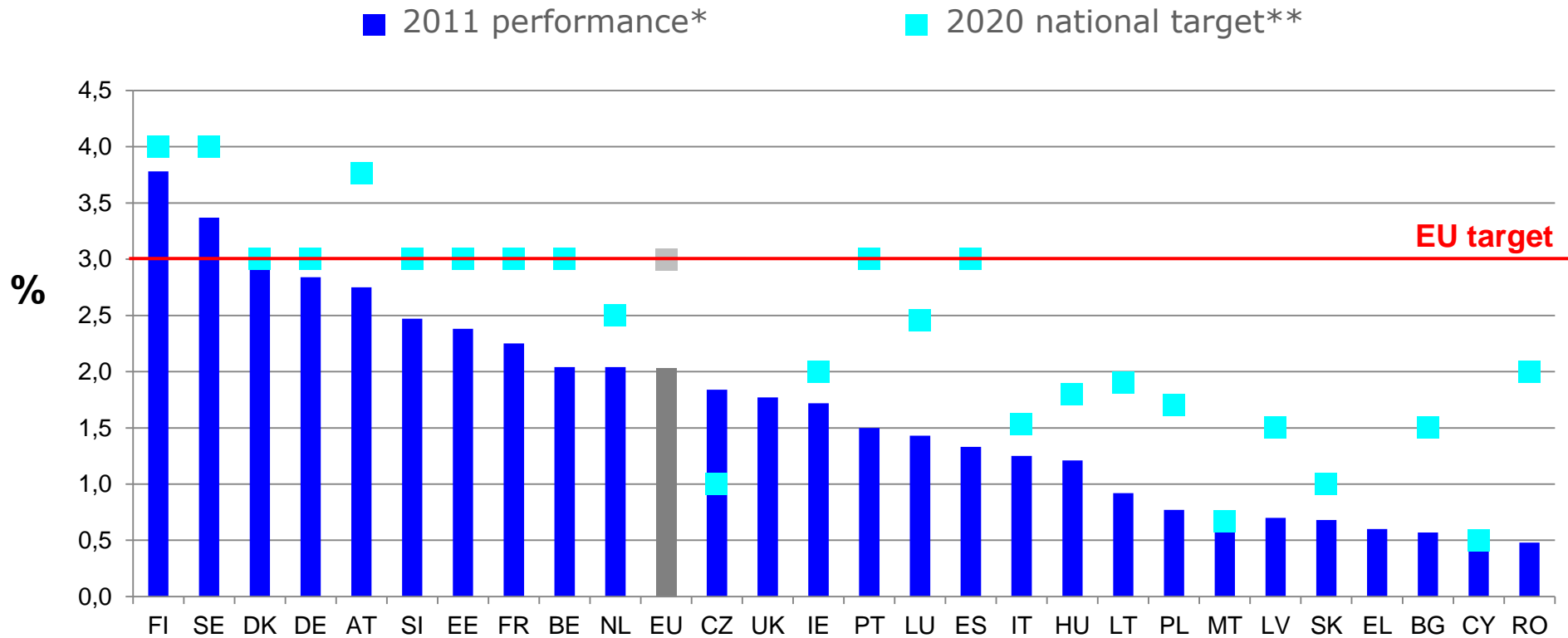
Energy prices matter for competitiveness

Electricity prices for industry in € / kWh (2nd semester 2011)



Raising innovation levels is a priority

R&D investments in the EU as a % of GDP

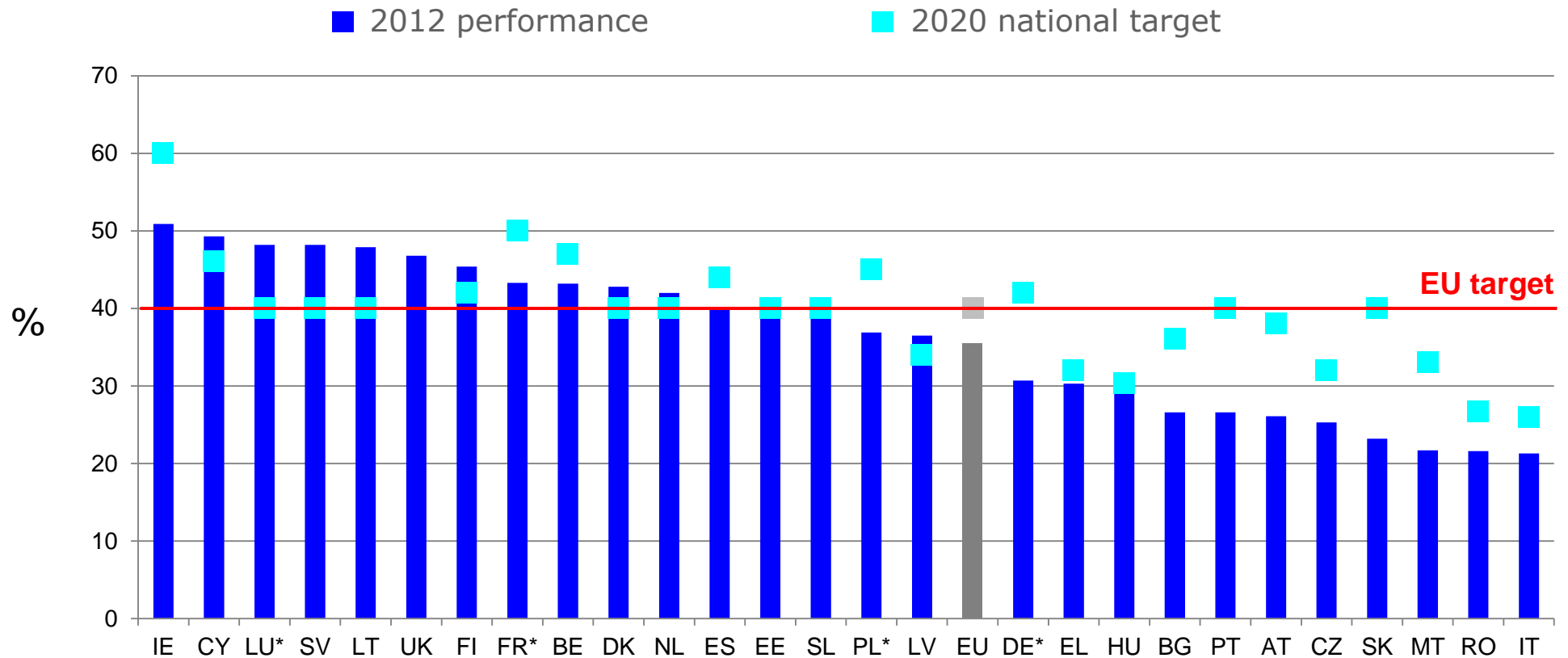


* EL: 2007.

**No targets set by EL and the UK. For CZ: a target (of 1%) is available only for the public sector.
 For IE: the target is 2.5% of GNP which is estimated to be equivalent to 2.0% of GDP.
 For LU: the target is between 2.30% and 2.60% (2.45% was assumed).

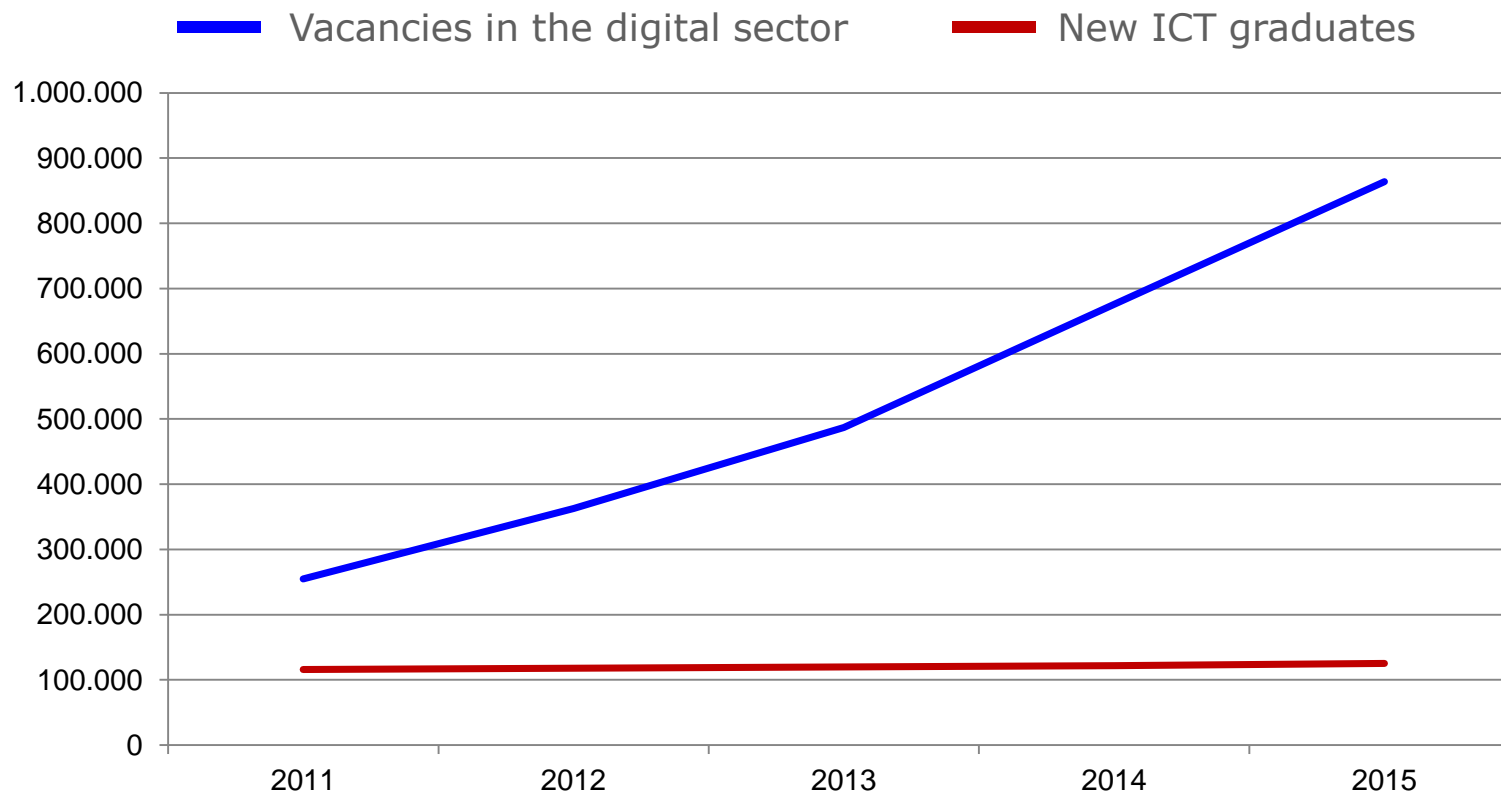
Education and skills are also key

Share of young people (age 30-34) with tertiary attainment



The example of the ICT sector

Digital jobs: vacancies and graduates* (numbers)



* Surveys and forecasts assuming moderate growth in GDP and ICT investment. Only ICT graduates are considered here.

Source: Empirica

We need to redouble our efforts to combat unemployment, especially among young people

Unemployment rates and numbers of unemployed, overall and among young people (under 25) (December 2012)

	Unemployment rates in % (total population)	Number of persons unemployed (rounded)	Youth unemployment rates in %	Number of young unemployed (rounded)		Unemployment rates in % (total population)	Number of persons unemployed (rounded)	Youth unemployment rates in %	Number of young unemployed (rounded)
EU	10.7	25 926 000	23.4	5 702 000	LT	12.3	187 000	23.6	31 000
BE	7.5	368 000	20.0	85 000	LU	5.3	13 000	18.8	3 000
BG	12.3	411 000	27.5	69 000	HU	10.9	476 000	27.9	87 000
CZ	7.5	394 000	21.0	78 000	MT	6.7	13000	15.7	5 000
DK	8.0	233 000	14.7	65 000	NL	5.8	520 000	10.0	144 000
DE	5.3	2 236 000	8.0	362 000	AT	4.3	188 000	8.5	51 000
EE	9.9	68 000	19.5	13 000	PL	10.6	1 845 000	28.4	436 000
IE	14.7	316 000	30.2	68 000	PT	16.5	897 000	38.3	174 000
EL	26.8	1 346 000	57.6	181 000	RO	6.5	661 000	23.0	194 000
ES	26.1	5 972 000	55.6	957 000	SI	10.0	102 000	26.9	22 000
FR	10.6	3 12 3000	27.0	794 000	SK	14.7	405 000	35.9	85 000
IT	11.2	2 875 000	36.6	610 000	FI	7.7	206 000	18.9	63 000
CY	14.7	66 000	28.5	12 000	SE	7.8	395 000	23.9	154 000
LV	14.1	146 000	31.7	32 000	UK	7.8	2 474 000	20.5	938 000



European
Commission

