



THE SENATE
OF THE PARLIAMENT OF THE CZECH REPUBLIC

9TH TERM

423rd

RESOLUTION OF THE SENATE

Delivered on the 19th session held on 19th March 2014

**on the Communication from the Commission
Annual Growth Survey 2014**

/Senate Press no. K 103/09/

The Senate

I.

1. Believes

that the European Commission correctly identifies the five main priorities of economic policy in the European Union for 2014;

2. Is of the opinion

that when drawing up the updated Convergence Programme and the National Reform Programme, the Government should duly take into account the recommendations contained in the Annual Growth Survey as well as in the last year's Council recommendation on the Czech Republic's 2013 national reform programme and Council opinion on the Czech Republic's convergence programme for 2012- 2016;

II.

1. Recalls

its 278th Resolution from the 12th meeting held during the 9th term on 21st August 2013 on the Recommendation for a Council recommendation on the Czech Republic's 2013 national reform programme and Council opinion on the Czech Republic's convergence programme for 2012-2016, the content of which it still considers relevant for the upcoming cycle of the European Semester;

2. Considers, therefore, desirable

that the Government should take into account in particular the following suggestions and recommendations:

- reduce the difference in the tax treatment of employees and self-employed persons, improve tax compliance, and prevent tax fraud and tax evasion;
- adopt a Public Servants Act that would ensure provision of stable, efficient and professional public services; and

3. Continues to have reservations

about the Commission's recommendations requiring the Government:

- to raise the statutory retirement age faster and to remove the pre-retirement scheme because it is convinced that the basis for long-term sustainability of public finance with regard to the ageing of the population cannot rest solely on constant increases of the statutory retirement age; rather, the emphasis must be placed upon the stimulation of labour productivity growth and high employment rate;
- to shift the tax burden away from labour to consumption taxation since the continuous increases in VAT or excise taxes have a significant impact on the stability of the tax system and in consequence on citizens;

4. States

that within the European semester and following up on the Annual Growth Survey, it will further examine the updated Convergence Programme and National Reform Programme of the Czech Republic, and subsequently the Council's country-specific recommendation based on the evaluation of these two documents by the European Commission;

III.

1. Requests

the Government to inform the Senate about the way this position was taken into account and about further progress of the current European semester;

2. Authorises

the President of the Senate to forward this Resolution to the European Commission.

Milan Štěch
sign manual
President of the Senate

Radko Martínek
sign manual
Senate Verifier