

SPRING 2010 REFORM BAROMETER - NETHERLANDS

1. SUMMARY TABLE

<u>Netherlands</u>				<u>Rank among 29 **</u>			<u>Relative Gap</u>	
	2008	2009	Change	2008	2009	Change	EU 5 top performers 2009	Gap to EU 5 top performers 2009
GDP per capita (Purchasing Power Parity - PPP)	33260	31196	-6.2%	5	5	0	LU, IE, NL, AT, BE	-8%
GDP per capita (€ at 2000 prices)	29662	28200	-4.9%	9	10	-1	LU, DK, SE, IE, UK	-18%
Labour Utilisation (Annual hours worked per capita)	719	714	-0.6%	24	22	2	CY, SI, GR, CZ, PL	-19%
Annual hours worked per person employed	1383	1382	-0.1%	29	29	0	GR, HU, PL, SI, CZ	-31%
Employment as % of labour force (100-unemployment rate)	97.2	96.6	-0.6	2	1	1	NL, DK, AT, CY, LU	2
Labour participation (labour force as % of active population)	79.3	79.6	0.2	5	2	3	NL, DK, SE, DE, UK	2
Dependency ratio (working age population as % of total population)	67.4	67.2	-0.1	18	18	0	SK, PL, CY, CZ, RO	-5
Labour Productivity (GDP per hour worked, in PPP)	45.3	42.7	-5.6%	4	4	0	LU, BE, NL, FR, DE	-1%
Labour Productivity (GDP per hour worked, € at 2000 prices)	40.4	38.6	-4.3%	8	10	-2	LU, SE, BE, DK, FR	-18%
Capital deepening (capital stock per hour worked)*	5.4	5.4	0.5%	10	10	0	IE, FR, LU, AT, SE	-8%
Total Factor Productivity (level of economic efficiency per hour worked)*	7.5	7.2	-4.8%	9	9	0	LU, UK, DK, SE, BE	-17%
Corporate Investment (private investment excluding non-residential, % GDP)	11.3	9.6	-1.7	18	15	3	BE, RO, AT, DK, SK	-3.5
Current Account Balance (as % GDP)	4.2	3.1	-1.1	5	8	-3	LU, SE, LV, DE, EE	-3.3
Export market share measured in volume relative to main 35 trading partners (from 2000)	-0.3	2.2	2.5	17	15	2	RO, LT, HU, CZ, PL	-52.5
Unit labour Costs relative to main 35 trading partners (from 2000)	2.7	6.9	4.3	11	15	-4	DE, PL, AT, SE, GR	14.0
Government gross debt (as % GDP)	58.2	59.8	1.6	20	17	3	EE, LU, BG, RO, LT	41.9
Net lending/net borrowing of general government (as % GDP)	0.7	-4.7	-5.4	8	14	-6	BG, DK, SE, LU, FI	-2.7
Required budgetary adjustment related to ageing (as % GDP)	N/A	3.7	N/A	N/A	21	N/A	PL, EE, HU, BG, SE	3.6
Public Investment (as % total public expenditure)	8.3	8.2	0.0	12	12	0	BG, RO, EE, CZ, PL	-8.1
Tax burden (as % GDP)	39.1	37.6	-1.5	19	18	1	LV, RO, IE, SK, LT	9.7

Note: Labour utilisation and productivity are a product of its sub-components.

* Rank refers to EU15 ** EU 27, Norway and Switzerland

Source : European Commission, Eurostat

A methodological note can be found in the report or [here](#).

2. PRIORITIES FOR REFORM: ANSWERS FROM VNO-NCW (THE NETHERLANDS)

	1. Priority areas	2. Concrete Recommendations	3. Are the proposed recommendations already in the agenda of your Government?	
			Yes	No
Priority 1	Financial markets and access to finance	- continue present enlarged guarantee schemes for bank credits tot sme's; - prepare measures to avoid danger of a credit crunch; reactivating the market fort securitization important	X	
Priority 2	Orientation and sustainability of public finances	repair of sustainability public finances by the right mix of growth incentive measures and cutting expenditures		X
Priority 3	Making work-pay: interplay of tax and benefit system	-prevent any rise of taxes and social premiums -reformig income tax into the direction of flat tax		X
Priority 4	Education and life-long learning	-strengthening the consultation relation between businnes/branches and occupational schools; - more emphasis on survaillance of quality of school performances by central exams	X	
Priority 5	Business Environment - Regulatory barriers to entrepreneurship	- carrying out the promised reduction of administrative burden with 25%	X	