

European Commission sets out the next steps for stability, growth and jobs

The European Commission has adopted a package of **recommendations for budgetary measures and economic reforms** to enhance financial stability, boost growth and create employment across the EU. The recommendations are country-specific, taking account of the individual situation of each Member State.

The Commission has also issued **recommendations for the euro area** as a whole, and set out its vision for the **EU-level policy action** needed to complement the national measures to deliver an ambitious, two-tiered EU growth initiative.

It has also presented the conclusions of twelve in-depth reviews in the context of the **Macroeconomic Imbalance Procedure** and made recommendations to the Council relating to the **Excessive Deficit Procedure**.

A number of key messages emerge from this second set of annual country-specific recommendations. On **public finances**, Member States are on the whole taking the necessary action to restore sustainability, but in several cases consolidation should be more growth-friendly.

Unemployment, and in particular **youth unemployment**, is a severe problem – and though there is no quick fix, immediate action should be taken to increase productivity and better match skills and training to labour market needs.

Many Member States are undertaking **major structural reforms**, including of their labour markets. These are helping to boost competitiveness and to correct macro-economic imbalances within Europe. Yet much greater action is needed across the EU to unlock our growth potential, create opportunities for business development, and unleash the job-creating potential of the services and energy sectors and the digital economy.

Finally, the Commission has indicated the main steps towards **full economic and monetary union**, including a banking union; euro area financial supervision and euro-area wide deposit guarantees. This process will need to take into account legal issues such as Treaty and constitutional change, while giving more democratic legitimacy and accountability to further integration moves.

(Source: European Commission)

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